

17-048

ORIGINAL SIGNATURES

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

APPLICATION FOR PERMIT- 02/2017 Edition

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

RECEIVED

This Section must be completed for all projects.

SEP 15 2017

Facility/Project Identification

Facility Name: Vista West Behavioral Hospital	HEALTH FACILITIES & SERVICES REVIEW BOARD	
Street Address: 2615 West Washington		
City and Zip Code: Waukegan, Illinois 60085		
County: Lake County	Health Service Area: 008	Health Planning Area: A-09

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: V Covington Realty, LLC
Street Address: 32 East 57 th Street, 17 th Floor
City and Zip Code: New York, New York 10022
Name of Registered Agent: C T Corporation System
Registered Agent Street Address: 208 South LaSalle Street, Suite 814
Registered Agent City and Zip Code: Chicago, Illinois 60604
Name of Chief Executive Officer: Richard Kresch, M.D.
CEO Street Address: 32 East 57 th Street, 17 th Floor
CEO City and Zip Code: New York, New York 10022
CEO Telephone Number: (212) 243-5565

Type of Ownership of Applicants

<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership	
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental	
<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other

o Corporations and limited liability companies must provide an Illinois certificate of good standing.

o Partnerships must provide the name of the state in which they are organized and the name and address of each partner specifying whether each is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT 1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: John P. Kniery
Title: Health Care Consultant
Company Name: Foley & Associates, Inc.
Address: 133 South 4 th Street, Suite 200, Springfield, Illinois 62701
Telephone Number: (217) 544-1551
E-mail Address: jkniery@foleyandassociates.com
Fax Number: (217) 544-3615

Additional Contact [Person who is also authorized to discuss the application for permit]

Name: Charles H. Foley, MHSA
Title: Health Care Consultant
Company Name: Foley and Associates, Inc.
Address: 133 South 4 th Street, Suite 200, Springfield, Illinois 62701
Telephone Number: (217) 544-1551
E-mail Address: cfoley@foleyandassociates.com
Fax Number: (217) 544-3615

**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT****SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION**

This Section must be completed for all projects.

Facility/Project Identification

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City and Zip Code: Waukegan, Illinois 60085		
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<ul style="list-style-type: none">o Corporations and limited liability companies must provide an Illinois certificate of good standing.o Partnerships must provide the name of the state in which they are organized and the name and address of each partner specifying whether each is a general or limited partner.		

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E-mail Address: jkniery@foleyandassociates.com
Fax Number: (217) 544-3615

Additional Contact [Person who is also authorized to discuss the application for permit]

Name: Martina Sze
Title: Executive Vice President
Company Name: US HealthVest, LLC
Address: 32 East 57th Street, 17th Floor, New York, New York 10022
Telephone Number: (212) 243-5565
E-mail Address: msze@ushealthvest.com
Fax Number: (212) 243-1099

**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT****SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION**

This Section must be completed for all projects.

Facility/Project Identification

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Street Address: 2615 West Washington		
City and Zip Code: Waukegan, Illinois 60085		
County: Lake County	Health Service Area: 008	Health Planning Area: A-09

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: US HealthVest, LLC
Street Address: 32 East 57th Street, 17th Floor
City and Zip Code: New York, New York 10022
Name of Registered Agent: C T Corporation System
Registered Agent Street Address: 208 South LaSalle Street, Suite 814
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Name of Chief Executive Officer: Richard Kresch, M.D.
CEO Street Address: 32 East 57th Street, 17th Floor
CEO City and Zip Code: New York, New York 10022
CEO Telephone Number: (212) 243-5565

Type of Ownership of Applicants

- | | | |
|---|--|--------------------------------|
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| <input type="checkbox"/> For-profit Corporation | <input type="checkbox"/> Governmental | |
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E-mail Address: jkniery@foleyandassociates.com
Fax Number: (217) 544-3615

Additional Contact [Person who is also authorized to discuss the application for permit]

Name: Mark J. Silberman
Title: Partner
Company Name: Benesch, Friedlander, Coplan & Aronoff, LLP
Address: 333 West Wacker Drive, Suite 1900, Chicago, Illinois 60606-2211
Telephone Number: (312) 212-4952
E-mail Address: msilberman@beneschlaw.com
Fax Number: (877) 357-4913

Post Permit Contact

[Person to receive all correspondence subsequent to permit issuance-THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960]

Name: Martina Sze
Title: Executive Vice President
Company Name: US HealthVest, LLC
Address: 32 East 57th Street, 17th Floor, New York, NY 10022
Telephone Number: (212) 243-5565
E-mail Address: msze@ushealthvest.com
Fax Number: (212) 243-1099

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: V Covington Realty, LLC
Address of Site Owner: 32 East 57th Street, 17th Floor, New York, NY 10022
Street Address or Legal Description of the Site: 2615 Washington Street, Waukegan, IL 60085
Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease.
APPEND DOCUMENTATION AS <u>ATTACHMENT 2</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee

[Provide this information for each applicable facility and insert after this page.]

Exact Legal Name: V Covington, LLC	
Address: 32 East 57th Street, 17th Floor, New York, NY 10022	
<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental
<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other
<ul style="list-style-type: none">○ Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.○ Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.○ Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	
APPEND DOCUMENTATION AS <u>ATTACHMENT 3</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Organizational Relationships

Provide (for each applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.

APPEND DOCUMENTATION AS ATTACHMENT 4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2006-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements, please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at www.FEMA.gov or www.illinoisfloodmaps.org. **This map must be in a readable format.** In addition, please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2006-5 (<http://www.hfsrb.illinois.gov>).

APPEND DOCUMENTATION AS **ATTACHMENT 5**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act.

APPEND DOCUMENTATION AS **ATTACHMENT 6**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

DESCRIPTION OF PROJECT**1. Project Classification**

[Check those applicable - refer to Part 1110.40 and Part 1120.20(b)]

Part 1110 Classification:

- ☒ Substantive
☐ Non-substantive

2. Narrative Description

In the space below, provide a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does **NOT** have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

US HealthVest, LLC (hereafter referred to as USHV) is proposing through its solely owned entities, V Covington Realty, LLC (owner) and V Covington, LLC (Operator) to renovate and expand Vista West Behavioral Hospital, into a 146 bed Acute/Chronic Mental Illness (hereafter referred to as AMI) facility. This project will modernize the existing on-site 46 acute mental illness ("AMI" or "behavioral health") beds through renovation of an existing structure on the campus. As part of the modernization, the existing AMI beds and Emergency Department ("ED") will be moved to a more recently constructed space which is connected to the current hospital building. All hospital structures are under one licensed address, 2615 Washington Street, Waukegan, which will remain the address for the modernized facility. Modernization of the more recently constructed space will accommodate the increase from the current 46 AMI beds to 146 beds and will result in a state of the art behavioral health facility capable of serving the needs of the entire community. Neither patients nor the existing beds will be relocated to the modernized building until the modernization is complete and the patients may be treated in the modernized space. Upon project completion the entirety of the old building will be wholly and permanently closed/taken out of use.

The existing hospital structure is made up of 329,589 GSF plus an 85,355 GSF structure for Nurse's Residence plus a 25,674 GSF power plant structure not counting the renovated and expanded professional building, and parking structure. The existing AMI beds are in the hospital structure and comprise 77,469 GSF. The renovated space will utilize the newest structure on the existing campus, and expand it to 88,180 GSF (58,260 existing GSF + 29,920 newly constructed addition) all housed in a four story building. The cost of the project is estimated at \$30,192,180, with \$14,565,000 in renovation contracts and \$10,472,000 in new construction contracts.

All beds will be certified for Medicare and Medicaid. The resultant hospital will be renovated into units that can expand or contract in size permitting separation of diverse patient populations so that clinical integrity is maintained and commingling of patients is avoided. However, it is estimated that initially 80% will be utilized in provision of care of adults and the balance of beds (20%) will be designated to care for adolescents/young adults. The facility is designed to avoid the comingling of vulnerable patient segments and populations.

This project is the culmination of several projects before this Board. First, Quorum Health Corporation and Waukegan Illinois Hospital Corporation filed a Certificate of Exemption (hereafter referred to as COE) to discontinue its Comprehensive Physical Rehabilitation category of service. That application was followed by USHV's COE for change of ownership. The intent is to operate and maximize the utilization of the existing beds and services, while constructing an on-campus replacement modernizes and expands an existing campus space with a nearly 30,000 GSF addition. Upon completion, the existing hospital space, the nurses' residence and the power plant will be shuttered and evaluated for repurposing as a non-hospital use or for demolition.

This is a "substantive" project in accordance with the rules of the 77 Illinois Administrative Code, Part 1130 of Subpart A Section 1130.140 as the project exceeds the bed and capital expenditure thresholds.

Project Costs and Sources of Funds

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must be equal.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation	\$256,004	\$143,996	\$400,000
Off Site Work			
New Construction Contracts	\$6,163,500	\$4,308,500	\$10,472,000
Modernization Contracts	\$9,706,500	\$4,858,500	\$14,565,000
Contingencies	\$1,269,600	\$733,360	\$2,002,960
Architectural/Engineering Fees	\$952,200	\$550,020	\$1,502,220
Consulting and Other Fees	\$128,002	\$71,998	\$200,000
Movable or Other Equipment (not in construction contracts)	\$576,008	\$323,992	\$900,000
Mortgage/Fee Issuance Expense (project related)	\$96,001	\$53,999	\$150,000
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$19,147,815	\$11,044,365	\$30,192,180
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$7,182,681	\$4,040,099	\$11,222,780
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages	\$12,140,588	\$6,828,812	\$18,969,400
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$19,147,815	\$11,044,365	\$30,192,180
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Related Project Costs

Provide the following information, as applicable, with respect to any land related to the project that will be or has been acquired during the last two calendar years:

Land acquisition is related to project	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Purchase Price:	\$ <u>2,000,000</u>	
Fair Market Value:	\$ <u>N/A</u>	
The project involves the establishment of a new facility or a new category of service <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If yes, provide the dollar amount of all non-capitalized operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100. Estimated start-up costs and operating deficit cost is _____		

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.	
Indicate the stage of the project's architectural drawings:	
<input type="checkbox"/> None or not applicable	<input type="checkbox"/> Preliminary
<input checked="" type="checkbox"/> Schematics	<input type="checkbox"/> Final Working
Anticipated project completion date (refer to Part 1130.140): <u>October 2019</u>	
Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140):	
<input type="checkbox"/> Purchase orders, leases or contracts pertaining to the project have been executed.	
<input type="checkbox"/> Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of financial commitment" document, highlighting any language related to CON Contingencies	
<input checked="" type="checkbox"/> Financial Commitment will occur after permit issuance.	
APPEND DOCUMENTATION AS <u>ATTACHMENT 8</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

State Agency Submittals [Section 1130.620(c)]

Are the following submittals up to date as applicable:
<input type="checkbox"/> Cancer Registry
<input type="checkbox"/> APORS
<input checked="" type="checkbox"/> All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
<input checked="" type="checkbox"/> All reports regarding outstanding permits
Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

Provide in the following format, the **Departmental Gross Square Feet (DGSF)** or the **Building Gross Square Feet (BGSF)** and cost. The type of gross square footage either **DGSF** or **BGSF** must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
NON REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL							
APPEND DOCUMENTATION AS ATTACHMENT 9 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM							

Facility Bed Capacity and Utilization

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert the chart after this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which data is available**. Include observation days in the patient day totals for each bed service. Any bed capacity discrepancy from the Inventory will result in the application being deemed incomplete.

FACILITY NAME: Vista West Behavioral Hospital		CITY: Waukegan, Illinois			
REPORTING PERIOD DATES: From: to: CY 2015					
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical					
Obstetrics					
Pediatrics					
Intensive Care					
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness	46	1,450	8,646	+ 100	+146
Neonatal Intensive Care					
General Long Term Care					
Specialized Long Term Care					
Long Term Acute Care					
Other ((identify))					
TOTALS:	46	1,450	8,646	+ 100	+146

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

- in the case of a corporation, any two of its officers or members of its Board of Directors;
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of V Covington Realty, LLC *
in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.

Mat Sze
SIGNATURE

Mat Sze
PRINTED NAME

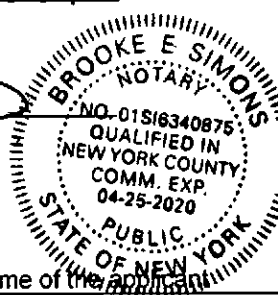
Executive Vice President
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 22 day of August 2017

BE
Signature of Notary

Seal



SIGNATURE

PRINTED NAME

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this _____ day of _____

Signature of Notary

Seal

*Insert the EXACT legal name of the applicant

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Marta Sze
SIGNATURE

Martina Sze
PRINTED NAME

Executive Vice President
PRINTED TITLE

SIGNATURE

PRINTED NAME

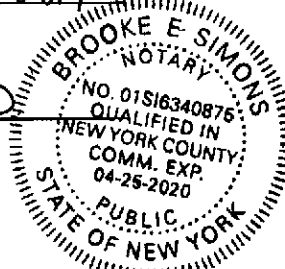
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 22 day of August 2017

B.E. Simon
Signature of Notary

Seal



Notarization:

Subscribed and sworn to before me
this _____ day of _____

Signature of Notary

Seal

*Insert the EXACT legal name of the applicant

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Mat L. Sze
SIGNATURE

Martina Sze
PRINTED NAME

Executive Vice President
PRINTED TITLE

SIGNATURE

PRINTED NAME

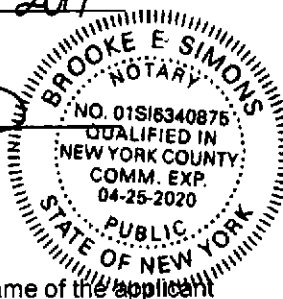
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 22 day of August 2017

B.E. Simon
Signature of Notary

Seal



Notarization:

Subscribed and sworn to before me
this _____ day of _____

Signature of Notary

Seal

*Insert the EXACT legal name of the applicant

SECTION III. BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES - INFORMATION REQUIREMENTS

This Section is applicable to all projects except those that are solely for discontinuation with no project costs.

Background

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application.
3. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
4. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT 11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.

Criterion 1110.230 – Purpose of the Project, and Alternatives**PURPOSE OF PROJECT**

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other relevant area, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed as applicable and appropriate for the project.
4. Cite the sources of the documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals **as appropriate**.

For projects involving modernization, describe the conditions being upgraded, if any. For facility projects, include statements of the age and condition of the project site, as well as regulatory citations, if any. For equipment being replaced, include repair and maintenance records.

NOTE: Information regarding the "Purpose of the Project" will be included in the State Board Staff Report.

APPEND DOCUMENTATION AS ATTACHMENT 12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.

ALTERNATIVES

- 1) Identify **ALL** of the alternatives to the proposed project:

Alternative options **must** include:

- A) Proposing a project of greater or lesser scope and cost;
 - B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes;
 - C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and
 - D) Provide the reasons why the chosen alternative was selected.
- 2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short-term (within one to three years after project completion) and long-term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED, THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**
 - 3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

APPEND DOCUMENTATION AS ATTACHMENT 13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE**Criterion 1110.234 - Project Scope, Utilization, and Unfinished/Shell Space**

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. **This must be a narrative and it shall include the basis used for determining the space and the methodology applied.**
2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following:
 - a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies and certified by the facility's Medical Director.
 - b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that delineates the constraints or impediments.
 - c. The project involves the conversion of existing space that results in excess square footage.
 - d. Additional space is mandated by governmental or certification agency requirements that were not in existence when Appendix B standards were adopted.

Provide a narrative for any discrepancies from the State Standard. A table must be provided in the following format with Attachment 14.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
AMI Clinical DGSF & GSF/Bed	56,436 DGSF 386.58 GSF/Bed	Max 560 GSF/bed = 81,760 DGSF	-173.5 GSF/Bed -25,324 DGSF	Yes

APPEND DOCUMENTATION AS ATTACHMENT 14, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

PROJECT SERVICES UTILIZATION:

This criterion is applicable only to projects or portions of projects that involve services, functions or equipment for which HFSRB has established utilization standards or occupancy targets in 77 Ill. Adm. Code 1100.

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110.Appendix B. **A narrative of the rationale that supports the projections must be provided.**

A table must be provided in the following format with Attachment 15.

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
2014	AMI	9,870	58.8%	85%	No
2015	AMI	8,946	53.3%	85%	No
YEAR '20	AMI	25,752	48.3%	85%	No
YEAR '21	AMI	46,099	86.5%	85%	Yes

APPEND DOCUMENTATION AS ATTACHMENT 15, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

UNFINISHED OR SHELL SPACE: NOT APPLICABLE

Provide the following information:

1. Total gross square footage (GSF) of the proposed shell space.
2. The anticipated use of the shell space, specifying the proposed GSF to be allocated to each department, area or function.
3. Evidence that the shell space is being constructed due to:
 - a. Requirements of governmental or certification agencies; or
 - b. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.
4. Provide:
 - a. Historical utilization for the area for the latest five-year period for which data is available; and
 - b. Based upon the average annual percentage increase for that period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT 16, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

ASSURANCES: NOT APPLICABLE

Submit the following:

1. Verification that the applicant will submit to HFSRB a CON application to develop and utilize the shell space, regardless of the capital thresholds in effect at the time or the categories of service involved.
2. The estimated date by which the subsequent CON application (to develop and utilize the subject shell space) will be submitted; and
3. The anticipated date when the shell space will be completed and placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT 17, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

C. Criterion 1110.730 - Acute Mental Illness and Chronic Mental Illness

1. Applicants proposing to establish, expand and/or modernize the Acute Mental Illness and Chronic Mental Illness categories of service must submit the following information:
2. Indicate bed capacity changes by Service: Indicate # of beds changed by action(s):

Category of Service	# Existing Beds	# Proposed Beds
<input checked="" type="checkbox"/> Acute Mental Illness	46	146
<input type="checkbox"/> Chronic Mental Illness		

3. READ the applicable review criteria outlined below and **submit the required documentation for the criteria:**

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.730(c)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (formula calculation)	X		
1110.730(c)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.730(c)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.730(c)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X	
1110.730(c)(5) - Planning Area Need - Service Accessibility	X		
1110.730(d)(1) - Unnecessary Duplication of Services	X		
1110.730(d)(2) - Maldistribution	X		
1110.730(d)(3) - Impact of Project on Other Area Providers	X		
1110.730(e)(1), (2), and (3) - Deteriorated Facilities			X
1110.730(e)(4) - Occupancy			X
1110.730(f)(1) - Staffing Availability	X	X	
1110.730(g) - Performance Requirements	X	X	X
1110.730(h) - Assurances	X	X	

APPEND DOCUMENTATION AS ATTACHMENT-21, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

The following Sections **DO NOT** need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18-month period prior to the submittal of the application):

- Section 1120.120 Availability of Funds – Review Criteria
- Section 1120.130 Financial Viability – Review Criteria
- Section 1120.140 Economic Feasibility – Review Criteria, subsection (a)

VII. 1120.120 - AVAILABILITY OF FUNDS

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable [Indicate the dollar amount to be provided from the following sources]:

<u>\$11,222,780</u>	a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to: <ol style="list-style-type: none"> 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
_____	b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
_____	c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
<u>\$18,969,400</u>	d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including: <ol style="list-style-type: none"> 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment; 5) For any option to lease, a copy of the option, including all terms and conditions.

_____	e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
_____	f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
_____	g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
<u>\$30,192,180</u>	TOTAL FUNDS AVAILABLE

APPEND DOCUMENTATION AS ATTACHMENT 34, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VIII. 1120.130 - FINANCIAL VIABILITY

All the applicants and co-applicants shall be identified, specifying their roles in the project funding or guaranteeing the funding (sole responsibility or shared) and percentage of participation in that funding.

Financial Viability Waiver

The applicant is not required to submit financial viability ratios if:

1. "A" Bond rating or better
2. All of the projects capital expenditures are completely funded through internal sources
3. The applicant's current debt financing or projected debt financing is insured or anticipated to be insured by MBIA (Municipal Bond Insurance Association Inc.) or equivalent
4. The applicant provides a third party surety bond or performance bond letter of credit from an A rated guarantor.

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS **ATTACHMENT 35**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

The applicant or co-applicant that is responsible for funding or guaranteeing funding of the project shall provide viability ratios for the latest three years for which **audited financial statements are available and for the first full fiscal year at target utilization, but no more than two years following project completion**. When the applicant's facility does not have facility specific financial statements and the facility is a member of a health care system that has combined or consolidated financial statements, the system's viability ratios shall be provided. If the health care system includes one or more hospitals, the system's viability ratios shall be evaluated for conformance with the applicable hospital standards.

	Historical 3 Years			Projected
Enter Historical and/or Projected Years:				
Current Ratio				
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

Provide the methodology and worksheets utilized in determining the ratios detailing the calculation and applicable line item amounts from the financial statements. Complete a separate table for each co-applicant and provide worksheets for each.

Variance

Applicants not in compliance with any of the viability ratios shall document that another organization, public or private, shall assume the legal responsibility to meet the debt obligations should the applicant default.

APPEND DOCUMENTATION AS **ATTACHMENT 36**, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IX. 1120.140 - ECONOMIC FEASIBILITY

This section is applicable to all projects subject to Part 1120.

A. Reasonableness of Financing Arrangements

The applicant shall document the reasonableness of financing arrangements by submitting a notarized statement signed by an authorized representative that attests to one of the following:

- 1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or
- 2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:
 - A) A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or
 - B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing

This criterion is applicable only to projects that involve debt financing. The applicant shall document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

- 1) That the selected form of debt financing for the project will be at the lowest net cost available;
- 2) That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;
- 3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

1. Identify each department or area impacted by the proposed project and provide a cost and square footage allocation for new construction and/or modernization using the following format (insert after this page).

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New Circ.*		Gross Sq. Ft. Mod. Circ.*		Const. \$ (A x C)	Mod. \$ (B x E)	
AMI Clinical	\$350.00	\$250.00	17,610		38,826		\$6,163,500	\$9,706,500	\$15,870,000
Contingency	\$22.50		56,436						\$1,269,600
TOTALS	\$372.50	\$250.00							\$17,139,600

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

E. Total Effect of the Project on Capital Costs

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

APPEND DOCUMENTATION AS ATTACHMENT 37* IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION X. SAFETY NET IMPACT STATEMENT

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL SUBSTANTIVE PROJECTS AND PROJECTS TO DISCONTINUE STATE-OWNED HEALTH CARE FACILITIES [20 ILCS 3960/5.4]:

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.
2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.
3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all of the following:

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.
2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.

3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

A table in the following format must be provided as part of Attachment 38.

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Charity (cost in dollars)			
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

APPEND DOCUMENTATION AS ATTACHMENT 38, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION XI. CHARITY CARE INFORMATION

Charity Care information **MUST** be furnished for **ALL** projects [1120.20(c)].

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.
2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.
3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

Charity care" means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer (20 ILCS 3960/3). Charity Care **must** be provided at cost.

A table in the following format must be provided for all facilities as part of Attachment 39.

CHARITY CARE			
	Year	Year	Year
Net Patient Revenue			
Amount of Charity Care (charges)			
Cost of Charity Care			

APPEND DOCUMENTATION AS **ATTACHMENT 39**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

After paginating the entire completed application indicate, in the chart below, the page numbers for the included attachments:

INDEX OF ATTACHMENTS			
ATTACHMENT NO.			PAGES
1	Applicant Identification including Certificate of Good Standing		27 – 30
2	Site Ownership		31 – 32
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.		33 – 35
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.		36 – 37
5	Flood Plain Requirements		38 – 39
6	Historic Preservation Act Requirements		40 – 47
7	Project and Sources of Funds Itemization		48
8	Financial Commitment Document if required		
9	Cost Space Requirements		49
10	Discontinuation		
11	Background of the Applicant		50 – 54
12	Purpose of the Project		55 – 134
13	Alternatives to the Project		135 – 140
14	Size of the Project		141
15	Project Service Utilization		142
16	Unfinished or Shell Space		
17	Assurances for Unfinished/Shell Space		
18	Master Design Project		
	Service Specific:		
19	Medical Surgical Pediatrics, Obstetrics, ICU		
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22	Open Heart Surgery		
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24	In-Center Hemodialysis		
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26	Selected Organ Transplantation		
27	Kidney Transplantation		
28	Subacute Care Hospital Model		
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31	Clinical Service Areas Other than Categories of Service		
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	Financial and Economic Feasibility:		
34	Availability of Funds		182 – 243
35	Financial Waiver		
36	Financial Viability		244 – 263
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38	Safety Net Impact Statement		267 – 270
39	Charity Care Information		271 - 301

SECTION I – IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION
Continued I

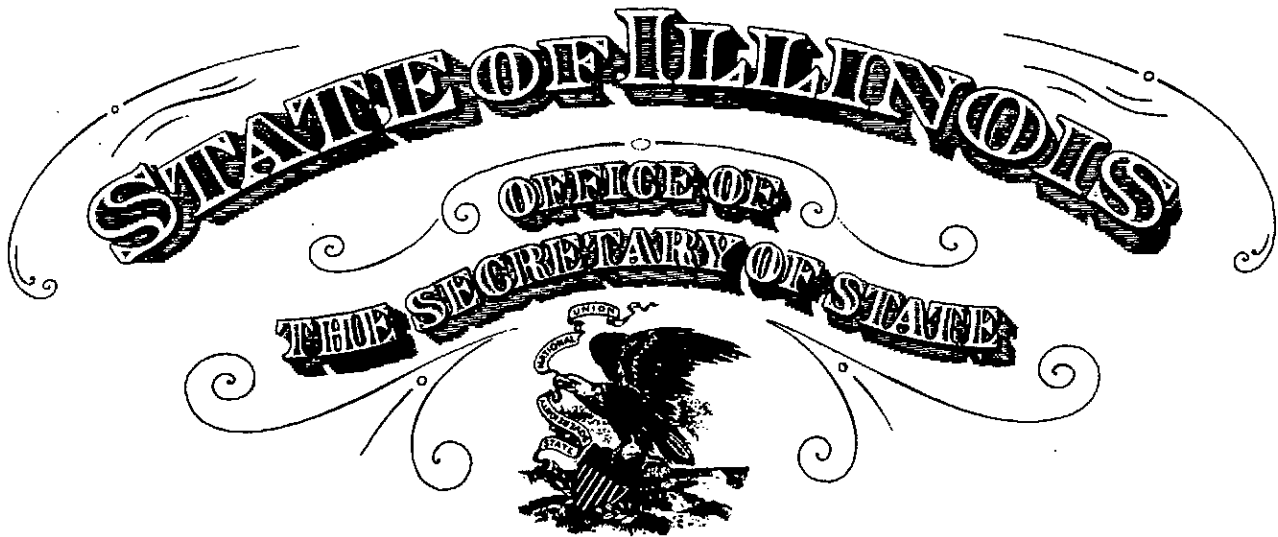
Applicant /Co-Applicant Identification

[Provide for each co-applicant [refer to Part 1130.220].

- Corporations and limited liability companies must provide an **Illinois certificate of good standing.**
- Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.

The Applicants for the proposed project, Vista West Behavioral Hospital, are **V Covington Realty, LLC** (Owner) and **V Covington, LLC** (Operator/Licensee). The owner of both the ownership and operating entities is **US HealthVest, LLC**. Collectively, these entities are the Applicant. The entities' Illinois Certificates of Good Standing are appended as **ATTACHMENT-1A**.

ATTACHMENT-1



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

V COVINGTON REALTY, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON JANUARY 12, 2016, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



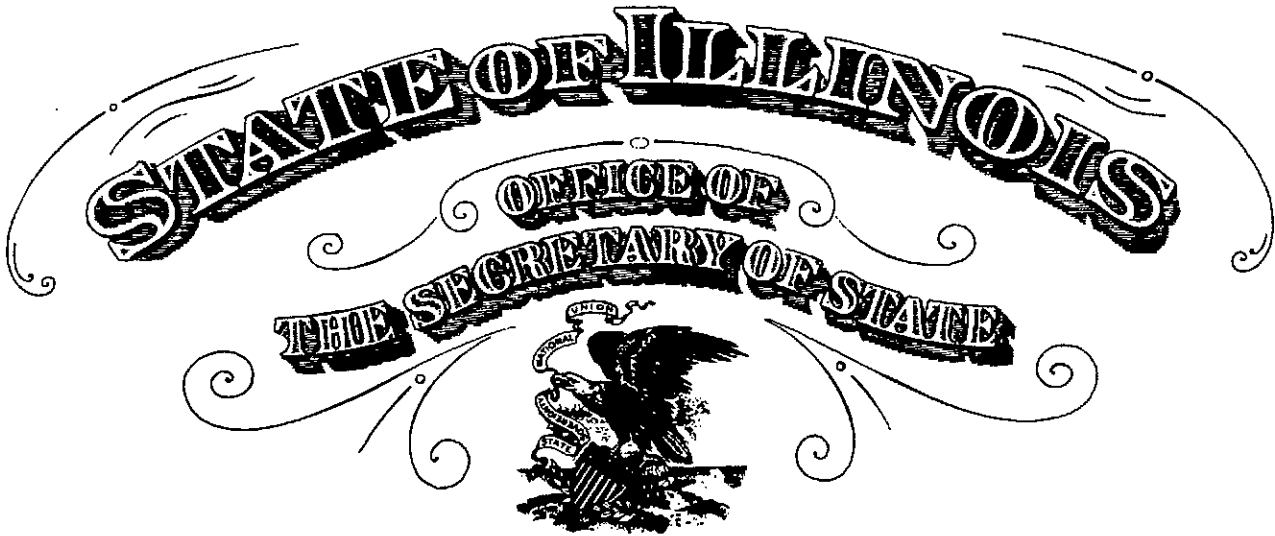
Authentication #: 1722902500 verifiable until 08/17/2018
Authenticate at: <http://www.cyberdriveillinois.com>

***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 17TH
day of AUGUST A.D. 2017 .***

Jesse White

SECRETARY OF STATE

ATTACHMENT-1A



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

V COVINGTON, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON JANUARY 12, 2016, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 17TH
day of AUGUST A.D. 2017 .***

Jesse White

SECRETARY OF STATE

ATTACHMENT-1A



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

U S HEALTHVEST, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON OCTOBER 06, 2014, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 17TH day of AUGUST A.D. 2017 .

Jesse White

SECRETARY OF STATE

Authentication #: 1722902540 verifiable until 08/17/2018
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ATTACHMENT-1A

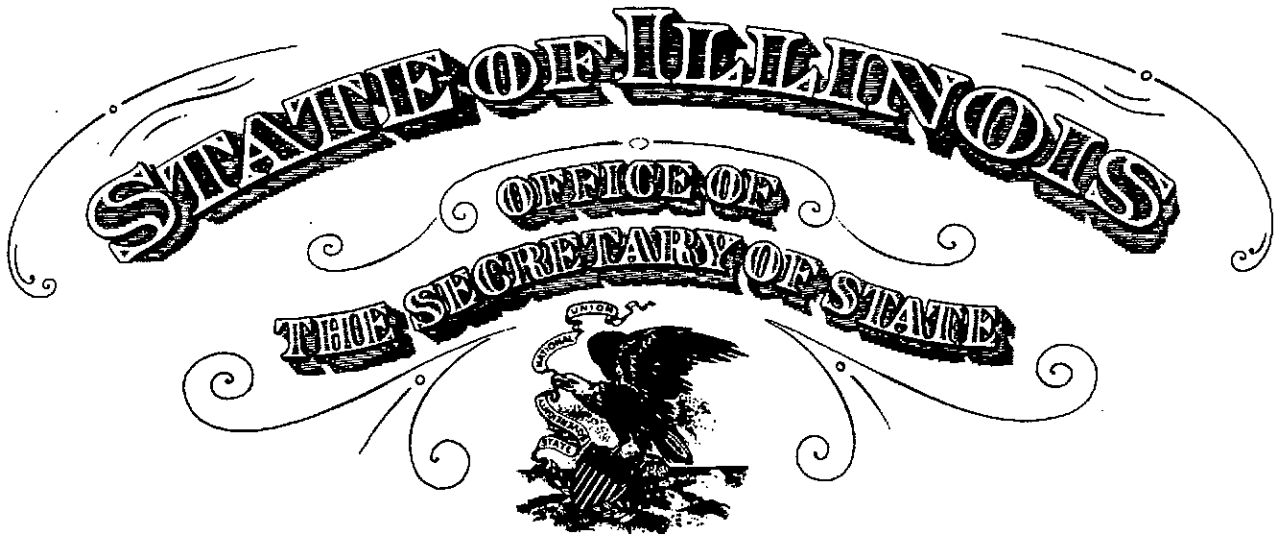
SECTION I – IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION
Continued ii

Site Ownership

Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease.

The ownership entity for the proposed project, Vista West Behavioral Hospital, is **V Covington Realty, LLC**. An Illinois Certificate of Good Standing for this entity is appended as **ATTACHMENT-2A**. Submitted prior to but on a parallel path is a Certificate of Exemption (COE) seeking the change of ownership of Vista Medical Center West from Waukegan Illinois Hospital Company, LLC. Approval of that exemption (Permit for the COE) is documentation of control. It should be known that project (COE) is contingent upon the approval of this project. Closing of the COE will take place shortly after approval of this application.

ATTACHMENT-2



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

V COVINGTON REALTY, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON JANUARY 12, 2016, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 17TH day of AUGUST A.D. 2017 .

Jesse White

SECRETARY OF STATE

Authentication #: 1722902500 verifiable until 08/17/2018
Authenticate at: <http://www.cyberdriveillinois.com>

ATTACHMENT-2A

SECTION I – IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION
Continued iii

Operating Identity/Licensee

- Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.
- Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.

Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.

The Operator/Licensee of the proposed Vista West Behavioral Hospital is **V Covington, LLC**. The entity's Illinois Certificate of Good Standing is appended as **ATTACHMENT-3A**. Please note that the sole shareholder is **US HealthVest, LLC**. An Illinois Certificate of Good Standing is appended as **ATTACHMENT-3B**.

It should be noted that there is a previous permit under this project's ownership and operating entities for Northbrook Behavioral Hospital (NBH). This project will be abandoned should this project be approved. Therefore, these entities will only have a single facility under its purview.

Members of **US HealthVest, LLC** with greater than 5% ownership:

Polaris	39.5%
F-Prime	18.3%
Richard Kresch, MD	14.3%
Oak HC/FT	9.1%

ATTACHMENT-3



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

V COVINGTON, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON JANUARY 12, 2016, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 17TH
day of AUGUST A.D. 2017 .***

Jesse White

SECRETARY OF STATE

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ATTACHMENT-3A



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

U S HEALTHVEST, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON OCTOBER 06, 2014, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 17TH day of AUGUST A.D. 2017 .

Jesse White

SECRETARY OF STATE

Authentication #: 1722902540 verifiable until 08/17/2018
Authenticate at: <http://www.cyberdriveillinois.com>

ATTACHMENT-3B

SECTION I – IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION
Continued iv

Organizational Relationships

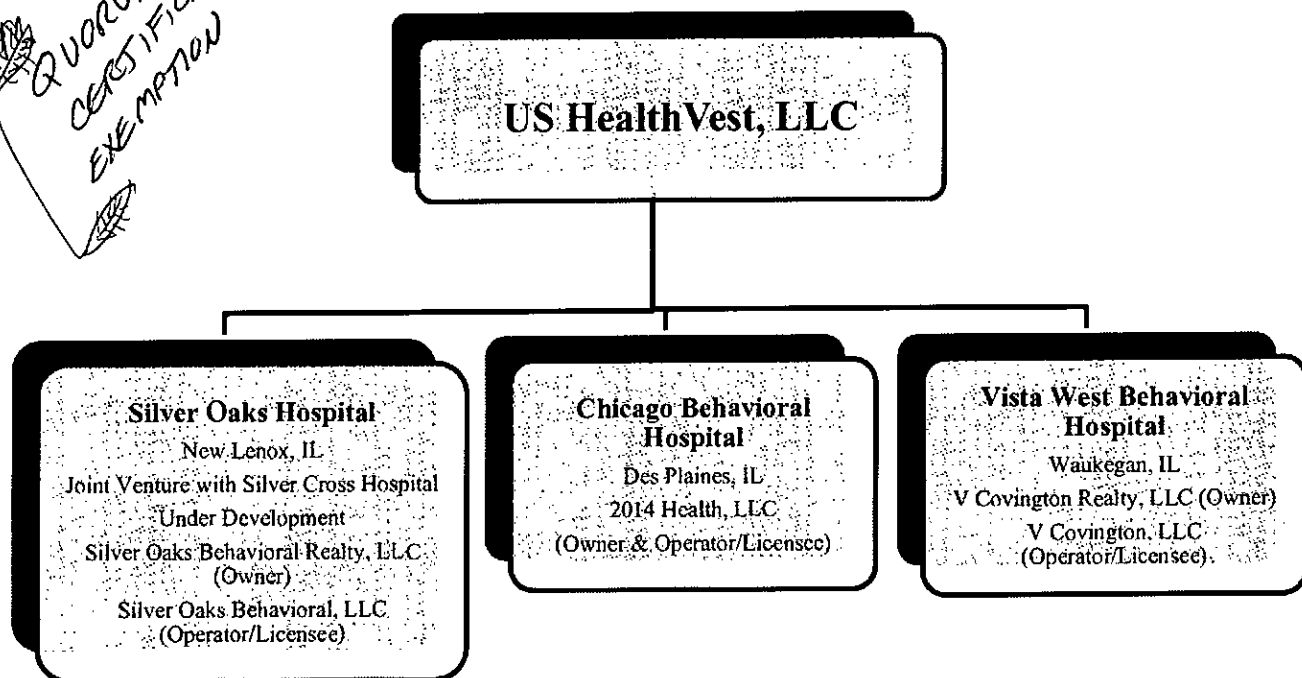
Provide (for each co-applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.

Appended as **ATTACHMENT-4A**, is the organizational chart for this proposed project and its Illinois facilities. It should be known that the ownership and operating/Licensee entities have no history. The Sole Corporate Member, **US HealthVest, LLC**, will be the sole financial contributor to the proposed project. The only related facility in Illinois in which the Sole Corporate Member has interest is Chicago Behavioral Hospital. Refer to **ATTACHMENT-3B** for the Illinois Certificate of Good Standing for **US HealthVest, LLC**, who is considered a Co-Applicant.

ATTACHMENT-4

QUORUM HEALTH
CERTIFICATE OF
EXEMPTION

Vista West Behavioral Hospital Organizational Chart



SECTION I – IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

Continued v

Flood Plain Requirements

Provide documentation that the project complies with the requirements of Illinois Executive Order #2005-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at www.FEMA.gov or www.illinoisfloodmaps.org. This map must be in a readable format. In addition please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2005-5 (<http://www.hfsrb.illinois.gov>).

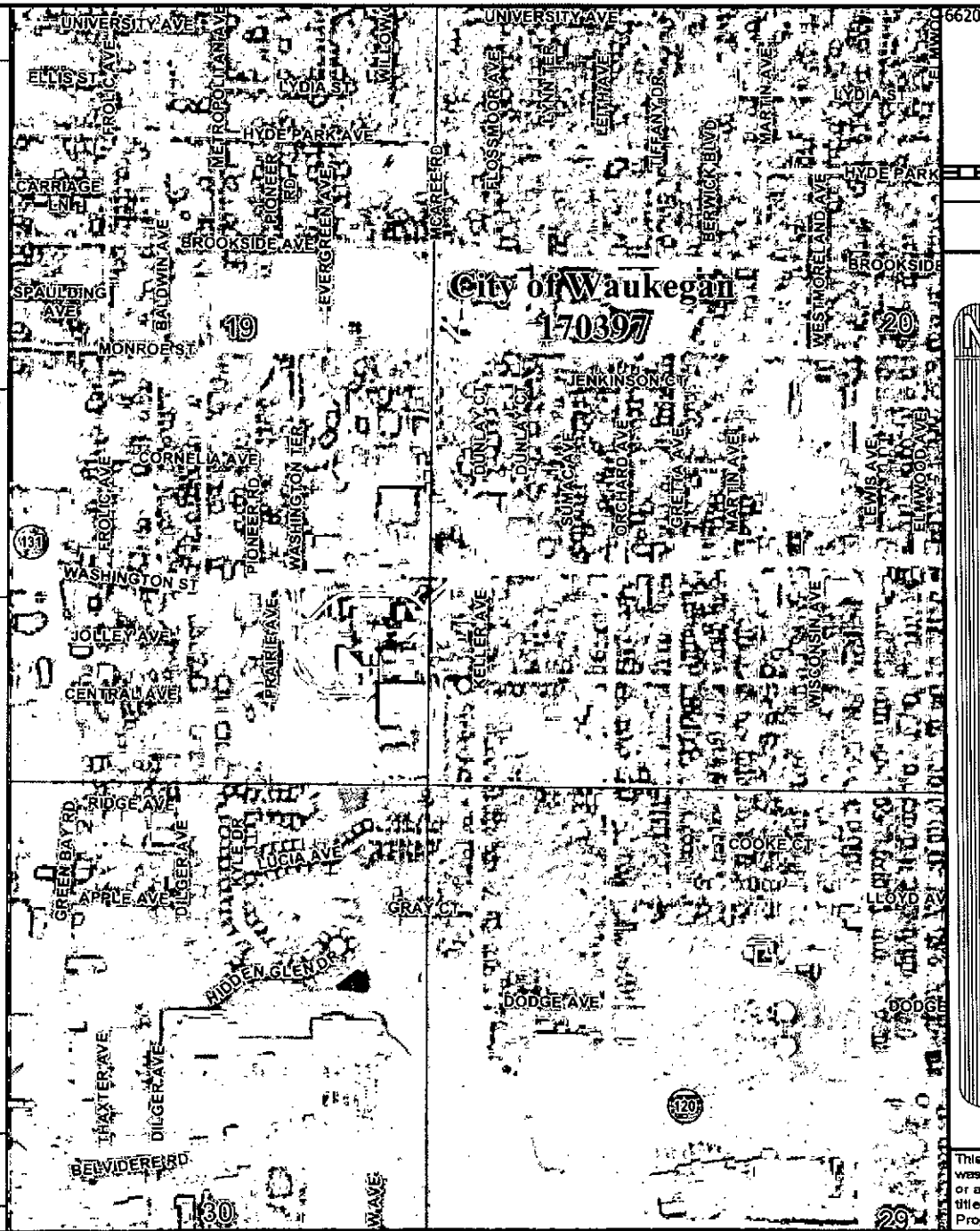
Appended as ATTACHMENT-5A is a FIRM Map printed from www.FEMA.gov illustrating that the site is not within a special flood hazard area.

ATTACHMENT-5

2075000 FT

JOINS PANEL 0157

2070000 FT



MAP SCALE 1" = 1000'

0 1000 2000 FEET

NATIONAL FLOOD INSURANCE PROGRAM

PANEL 0180K

FIRM

FLOOD INSURANCE RATE MAP

LAKE COUNTY, ILLINOIS

AND INCORPORATED AREAS

PANEL 180 OF 295

(SEE MAP INDEX FOR FIRM PANEL LAYOUT)

CONTAINS:

COMMUNITY	NUMBER	PANEL	SUFFIX
LAKE COUNTY	170357	0180	K
NORTH CHICAGO, CITY OF	170384	0180	K
WAUKEGAN, CITY OF	170397	0180	K

Notice to User: The Map Number shown below should be used when placing map orders; the Community Number shown above should be used on insurance applications for the subject community.



MAP NUMBER
17097C0180K

MAP REVISED
SEPTEMBER 18, 2013

Federal Emergency Management Agency

This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps check the FEMA Flood Map Store at www.maf.fema.gov

SECTION I – IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION
Continued vi

Historic Resources Preservation Act Requirements

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act.

Appended as **ATTACHMENT-6A**, is the Applicant's submission to the Illinois Historic Preservation Agency (HPA) documenting compliance with the requirements of the Historic Resources Preservation Act. The response from HPA on this submission will be forwarded upon receipt.

ATTACHMENT-6

FOLEY & ASSOCIATES, INC.

Charles H. Foley, MHSA
cfoley@foleyandassociates.com

John P. Knlery
jknlery@foleyandassociates.com

SENT VIA USPS

August 24, 2017

Rachel Leibowitz, Ph.D.
Deputy State Historic Preservation Officer
IDNR – Office of Land Management
Review & Compliance – Archaeology Division
One Natural Resources Way
Springfield, Illinois 62702

Re: **Modernization and Expansion of
existing Hospital, Waukegan, Illinois**

Dear Dr. Leibowitz:

The Applicants are proposing (through the Certificate of Need process) to modernize and expand the existing hospital, Vista West Behavioral Hospital (formerly Vista Medical Center West), located at 2615 West Washington, Waukegan, Lake County, Illinois. The Specialty (AMI) Hospital proposes to modernize and expand services on the campus.

The required information is as follows:

- a. General project address: **2615 West Washington, Waukegan, Lake County, Illinois (Hospital)**
- b. Map showing the general location of the project: **See attached.**
- c. Photographs of any standing building/structures within the project area: **See attached.**
- d. Addresses for buildings/structures if present: **2615 West Washington, Waukegan, Lake County, Illinois (Hospital) and 2645 West Washington, Waukegan, Lake County, Illinois (Medical Office Building - triangular structure)**
- e. Total acres of project: **30.8 acres**
- f. List of other federal or state agencies which potentially would be involved in funding, licensing permitting or official support/approval: **CMMS, IDPH, and IHFS will be involved in licensing, permitting and certification of the facility.**



Office: 217/544-1551

Health Care Consulting
133 South Fourth Street, Suite 200 • Springfield, IL 62701
foley@foleyandassociates.com

Fax: 217/544-3615

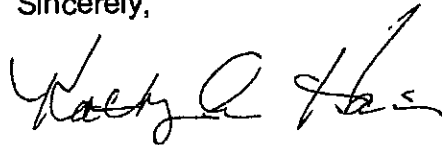
ATTACHMENT-6A

Rachel Leibowitz, Ph.D.
August 24, 2017
Page 2

- g. Requested HARGIS map: **Upon search of the above general project address, no records were found in the HARGIS map database. See attached.**

According to the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420et.seq) and other applicable Illinois laws, it is my understanding that you will review the attached information and provide evaluation comments, with respect to any historic resources. If you have any questions or need additional information, please do not hesitate to contact myself or John P. Kniery.

Sincerely,

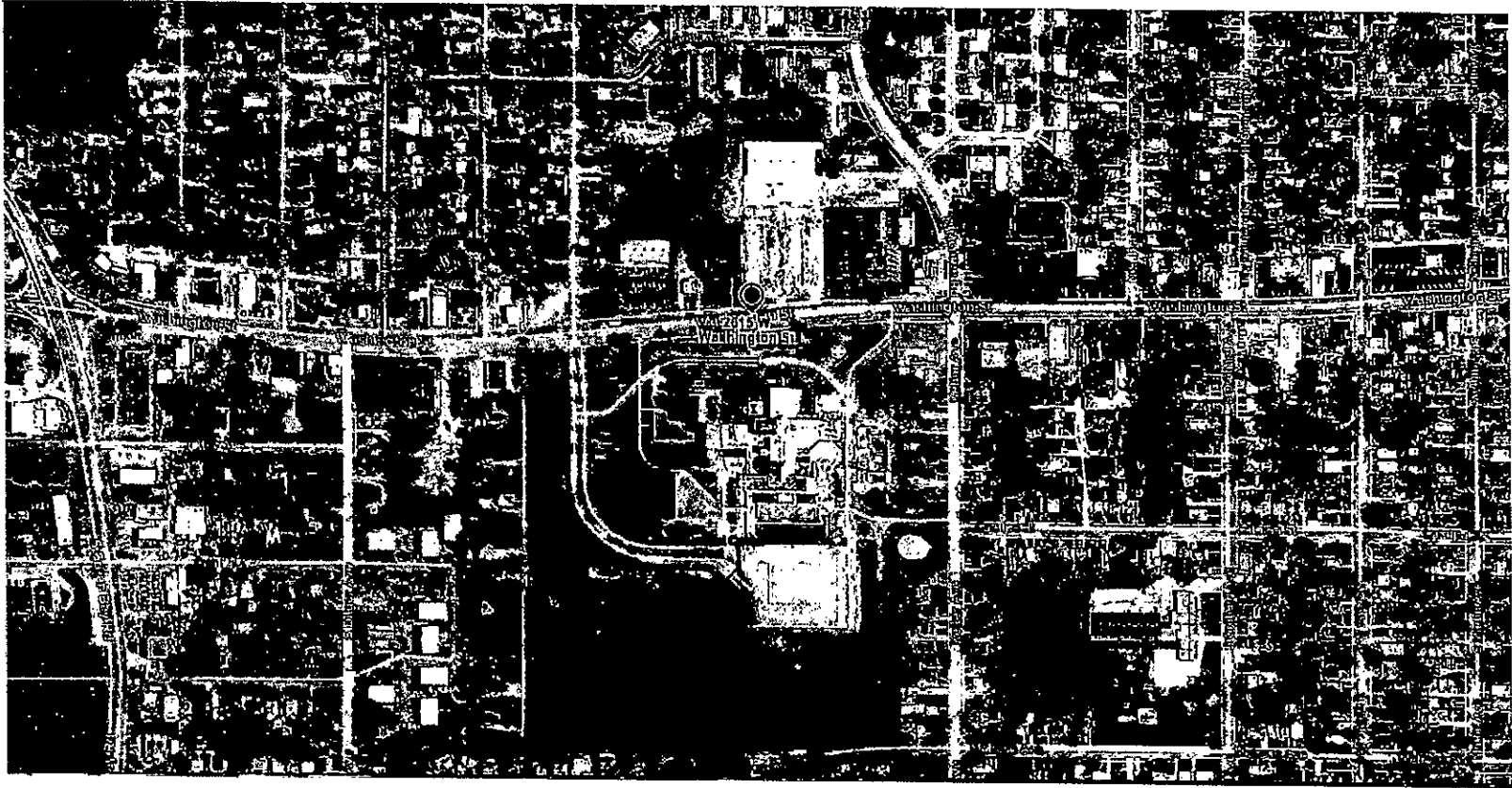
A handwritten signature in black ink, appearing to read 'Kathryn A. Harris', written in a cursive style.

Kathryn A. Harris

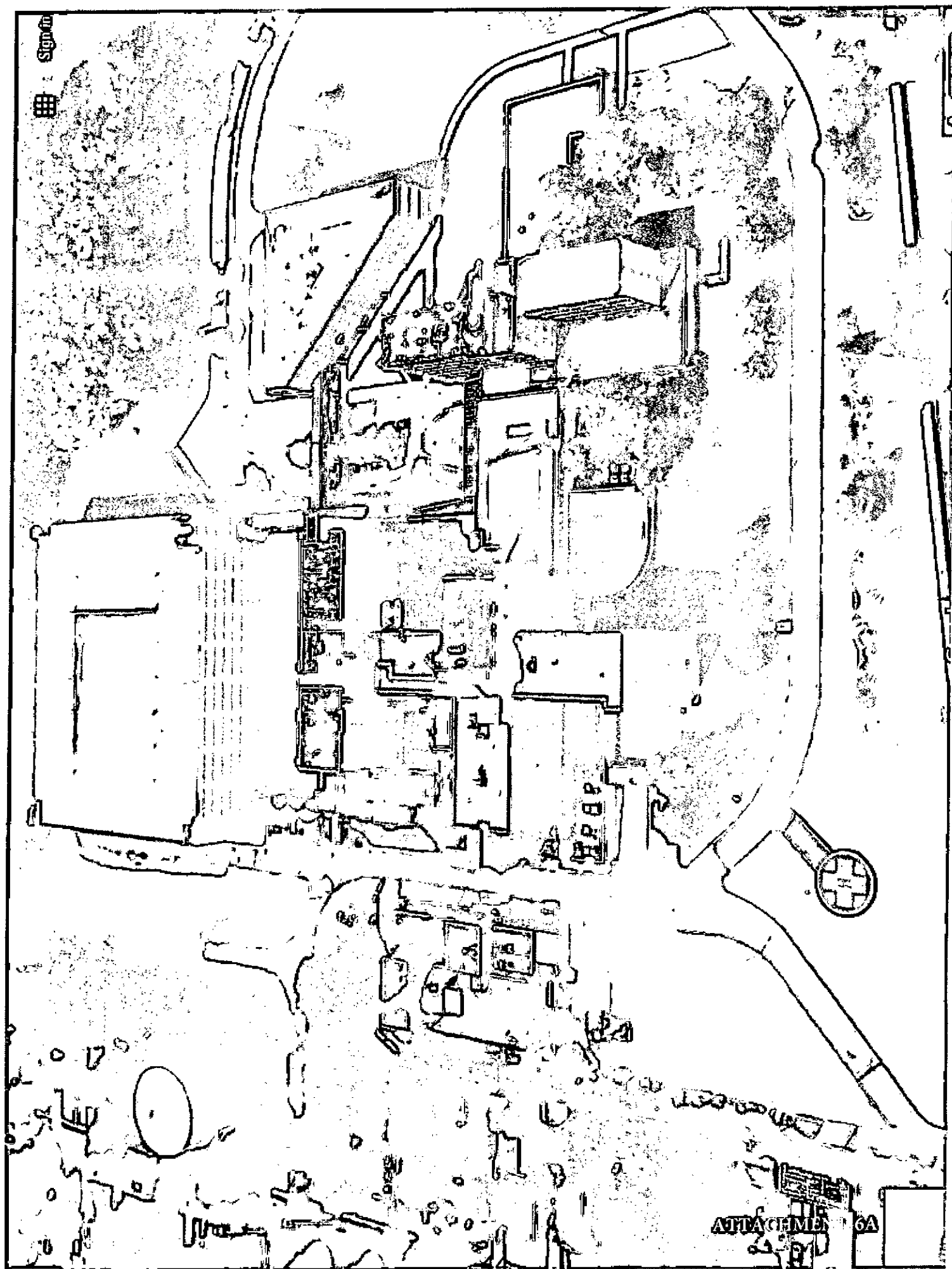
Enclosures

ATTACHMENT-6A

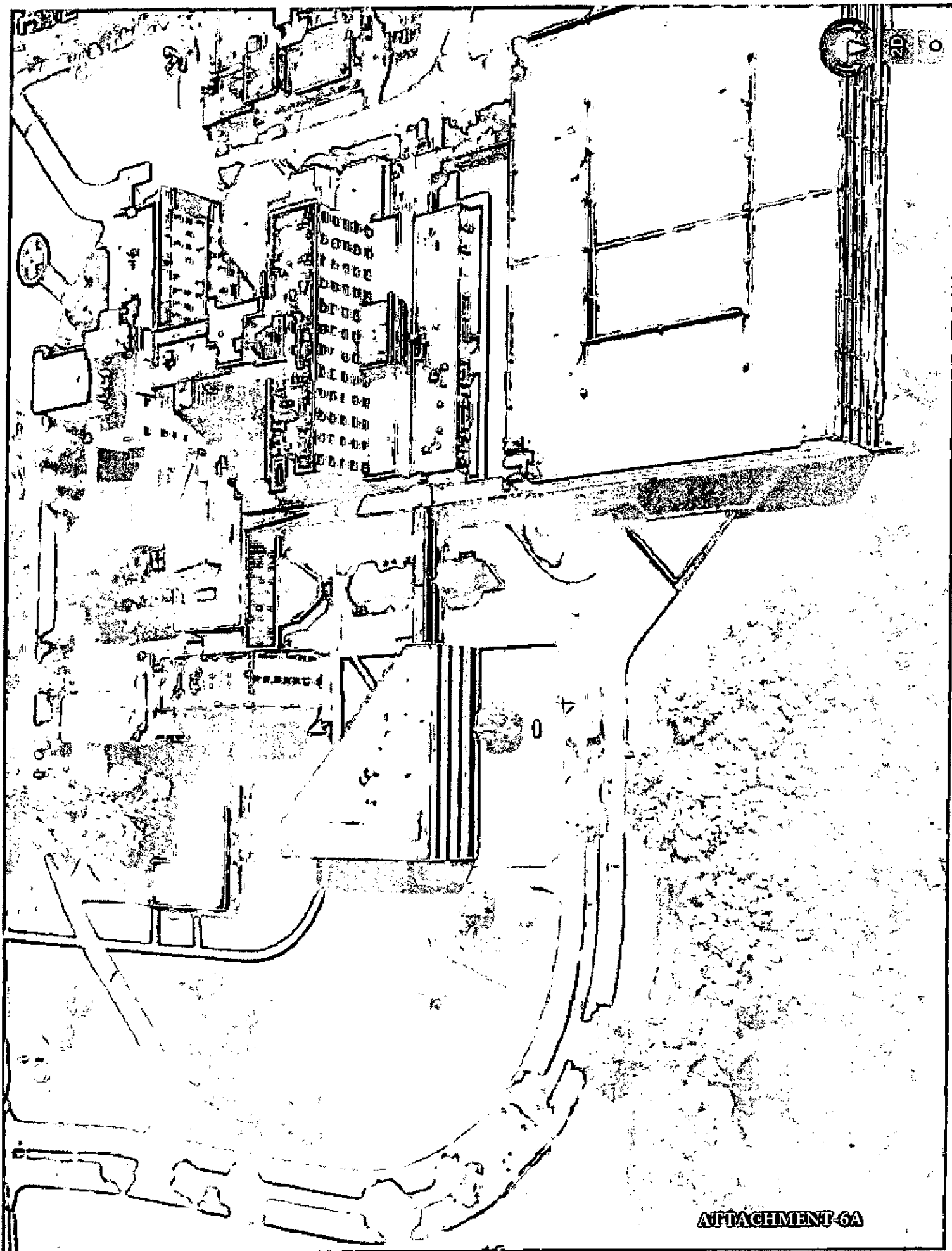
Vista West Behavioral Hospital
(Formerly Vista Medical Center West)



Sign

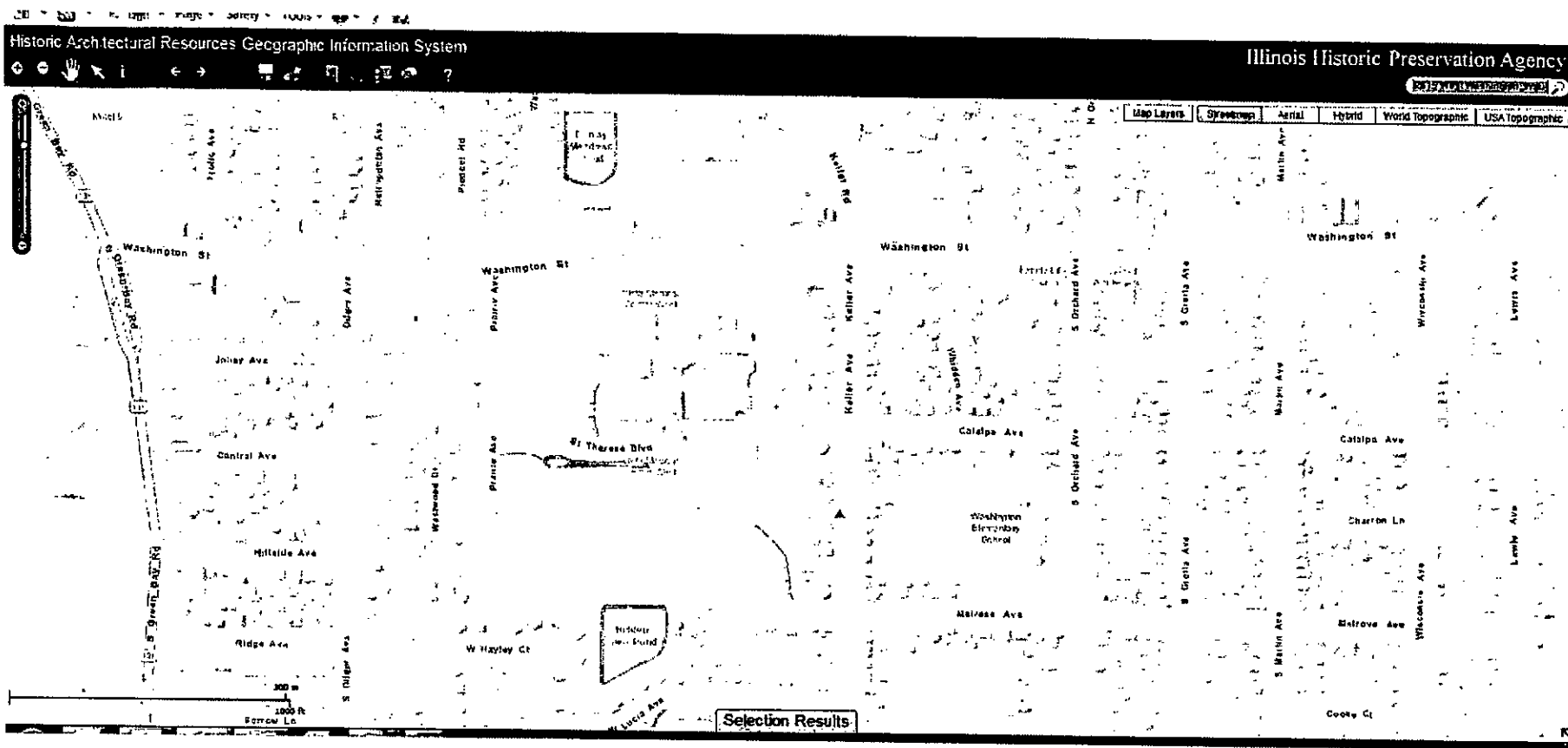


ATTACHEMENT 6A



ATTACHMENT-6A

Vista West Behavioral Hospital
(Formerly Vista Medical Center West)



SECTION I – IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION
Continued vii

Project Costs and Sources of Funds

The chart below summarizes the equipment budget for the proposed Project.

VWBH- Equipment Budget	
Patient Room Furniture	\$162,000
Other Patient Furniture	\$200,000
Non Patient Furniture	\$100,000
Van	\$40,000
IT Equipment / System	\$398,000
Total	\$900,000

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

Cost Space Requirements

Behavioral Hospital											
	COST	EXISTING		PROPOSED		Amount of Proposed Total GSF That is:					
		Clinical	Non Clinical	Clinical	Non Clinical	New Construction Clinical	New Construction Non Clinical	Modernization Clinical	Modernization Non Clinical	As Is	Vacated
Emergency Department		12535									12535
AMI Department		23672									23672
Rehab Department		23077									23077
EMS Training			7912								7912
Corporate Services			3200								3200
MEP			7073								7073
MOB											
First Floor											
Lobby	\$ 452,296				1300				1300		
Office/Administration	\$ 1,368,021				3932				3932		
Intake/ AMI Emergency Dept	\$ 665,675			1962				1962			
Dining/Kitchen	\$ 2,036,722				5854		5854				
Medical Records/Pharmacy	\$ 506,223				1455				1455		
Outpatient	\$ 1,082,726				3112				3112		
MEP/Central Storage	\$ 1,298,437				3732		3732				
Exercise	\$ 363,576				1045				1045		
Circulation	\$ 771,686				2218		719		1499		
Upper Floors (2 through 4)											
Nursing	\$ 14,745,609			43461		13710		29751			
Living/Dining/Activity	\$ 3,120,731			9198		3900		5298			
Laundry	\$ 239,195			705				705			
Clean/Soiled/Equipment	\$ 376,605			1110				1110			
Staff Lounge	\$ 318,347				915				915		
Stair/Elevators	\$ 803,695				2310		2005		305		
Corridors	\$ 1,719,072				4941				4941		
Housekeeping	\$ 88,720				255				255		
Mech/Electrical/IT	\$ 234,846				675				675		
TOTAL GSF		59284	18185	56436	31744	17610	12310	38826	19434		
Total Clinical+Non-Clinical	\$ 30,192,180		77469		88180	17610	12310	38826	19434		77469

**SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND
ALTERNATIVES – INFORMATION/INFORMATION REQUIREMENTS** Continued I

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.

The owner and operating entities, respectively **V Covington Realty, LLC** and **V Covington, LLC**, do not own or operate any licensed health care facilities. The Co-Applicant/Sole Corporate Member, **US HealthVest, LLC**, has within its organization 1 other freestanding Acute/Chronic Mental Illness facility in the state of Illinois, Chicago Behavioral Hospital. A copy of this related facility license and certifications as applicable are appended under **ATTACHMENT-11A**.

2. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application.

The required documentation with regards to adverse action, as required under 1125.520, c) 2, is appended as **ATTACHMENT-11B**. It should be noted that the ownership and operating entities of the proposed Vista West Behavioral Hospital do not have any adverse action taken against them.

3. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.

The above requested authorization for the Health Facilities and Services Review Board and the Department of Public Health access to information is appended as **ATTACHMENT-11C**.

ATTACHMENT-11

**SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND
ALTERNATIVES – INFORMATION REQUIREMENTS** *Continued ii*

4. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest the information has been previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

This item is not applicable.

ATTACHMENT-11



**Illinois Department of
PUBLIC HEALTH**

HF111780

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

The person, firm or corporation whose name appears on this certificate has complied with the provisions of the Illinois statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.

Nirav D. Shah, M.D., J.D.
Director

Issued under the authority of
the Illinois Department of
Public Health

EXPIRATION DATE 11/2/2017	CATEGORY Psychiatric Hospital	I.D. NUMBER 0005934
Effective: 11/03/2016		

Chicago Behavioral Hospital
555 Wilson Lane
Des Plaines, IL 60016

The face of this license has a colored background. Printed by Authority of the State of Illinois • PO: #4012320 10M 3/12

← **DISPLAY THIS PART IN A
CONSPICUOUS PLACE**

Exp. Date 11/2/2017

Lic Number 0005934

Date Printed 9/22/2016

Chicago Behavioral Hospital

555 Wilson Lane
Des Plaines, IL 60016

FEE RECEIPT NO.

US HealthVest

August 22, 2017

Ms. Courtney Avery
Administrator
Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Ms. Avery:

Please be advised that no adverse action as defined under 1130.140 has been taken against the Applicant or against any health care facility owned or operated by the Applicant, directly or indirectly, within three years preceding the filing of the Certificate of Need Application.

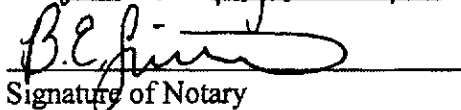
Sincerely,



Martina Sze
Executive Vice President
US HealthVest

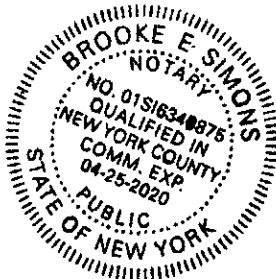
Notarization:

Subscribed and sworn to before me
this 22 day of August 2017



Signature of Notary

Seal



32 East 57th Street
17th Floor
New York, New York 10022
T 212.243.5565 · F 212.243.1099
www.ushealthvest.com

ATTACHMENT-11B

US HealthVest

August 22, 2017

Ms. Courtney Avery
Administrator
Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Ms. Avery:

I hereby authorize the Health Facilities Planning Board and the Illinois Department of Public Health (IDPH) access to any documents necessary to verify the information submitted, including, but not limited to: official records of IDPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. I further authorize the Illinois Department of Public Health to obtain any additional documentation or information that said agency deems necessary for the review of this Application as it pertains to Background of Applicant.

Sincerely,



Martina Sze
Executive Vice President
US HealthVest

**SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND
ALTERNATIVES – INFORMATION REQUIREMENTS** Continued iii

Criterion 1110.230 – Purpose of the Project, and Alternatives

PURPOSE OF PROJECT

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.

The purpose of the project is to improve the ability of the area residents to access the acute mental illness (hereafter referred to as AMI) inpatient services that are needed as illustrated by the need for additional beds and services from the State's Inventory of Health Care Facilities and Services and Need Determinations, 2015, Hospital Services for AMI care, and treatment in adjacent Planning Areas 7-A-08 and 8-A-09 as well as the overwhelming need demonstrated in the CON for establishment of Northbrook Behavioral Hospital (hereafter referred to as NBH) and as experienced by the Applicant's related facility Chicago Behavioral Hospital (hereafter referred to as CBH).

NBH is the closest permitted project (not developed) to the proposed project. NBH also utilized the outstanding need for additional beds and services of Planning Areas 7-A-08 and 9-A-09, the latter is where the proposed project is located where the first is where NBH was located to justify the need for the project. Refer to **ATTACHMENT-12B** for a Microsoft MapPoint map illustrating the location of Vista West Behavioral Hospital and NBH and their overlapping market areas. Upon Board approval of the proposed project, the NBH project's permit will be abandoned as it is the intent of USHV that the proposed project is a viable alternative to NBH.

CBH is the second closest area provider of AMI services to the proposed project. In the first 14 months that CHB has been operating that facility, the facility has filled its operating and set-up beds, renovated and modernized the upper two floors, opening them in January of 2015. The facility has reached and maintained its optimal utilization of 85 percent. As of March 2016 CBH deflected some 672 patient referrals. One hundred and eleven of these referrals are from

ATTACHMENT-12

**SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND
ALTERNATIVES – INFORMATION REQUIREMENTS** Continued iv

the qualifying northern suburban geographic area of the proposed NBH, i.e., 45-minute travel time. From January 2016 through July of 2017, CHB deflected 438 patients of which 117 came from Lake County and Northern Cook County. Together the deflections in the northern suburbs plus the deflections in their other underserved geographic areas, CBH estimates that it can refer 48-50 patients per month to Vista West Behavioral Hospital (see ATTACHMENT-12H).

Also appended as ATTACHMENT-12H are 31 additional letters of referrals. These letters all demonstrate that there is an outstanding underserved need for AMI beds and services. Together with the need for additional services identified by the State in the Applicants' market area (7-A-08 and 8-A-09) and the overwhelming demand for beds and services as experienced by CBH, NBH and the numerous referral sources, this project will improve the health care and well-being of the market to be served.

2. Define the planning area or market area, or other relevant area, per the applicant's definition.

In accordance with the State's required travel time contour, the proposed market area is the forty-five minute drive time contour adjusted per the 77 Illinois Administrative Code, Chapter II, Subchapter a, Section 1100.510(d).

3. Identify the existing problems or issues that need to be addressed as applicable and appropriate for the project.

There is an identified need for -71 additional AMI beds in Planning Area HSA 7 - Area A-08 and 24 additional AMI beds in Planning Area HSA 8 – Area A-09. The excess of beds includes the approved but not constructed NBH's 100 AMI beds. This project addresses that existing identified need and the resultant and overwhelming demand experienced by related facility Chicago Behavioral Hospital as well as that of the area referral sources. This project, in addressing the above seeks to improve accessibility to AMI services within the 45-minute travel

ATTACHMENT-12

**SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND
ALTERNATIVES – INFORMATION REQUIREMENTS** Continued v

time contour. Additionally, this project is part of a larger strategy that includes the change of ownership of Vista Medical Center West by USHV that addresses Waukegan Illinois Hospital Company's need to consolidate its resources for the betterment of Vista Medical Center East also located in Waukegan, Illinois. This overall strategy is to allow the Acute Care hospital providers to focus on providing General Acute Care services and the Specialty AMI hospital providers to provide services focused upon serving the needs of the AMI community.

4. Cite the sources of the documentation.

Appended as **ATTACHMENT-12A**, is the State's 2015 IDPH Inventory of Health Care Facilities and Need Determinations, Hospital Services summary of Acute Mental Illness category of service, Planning Area HSA 7 - Area A-08 and Planning Area HSA 8 – Area A-09.

Appended as **ATTACHMENT-12B**, is the Microsoft MapPoint North America 2009 map identifying the location of the proposed facility, the 45-minute market contour, location of other Acute/Chronic Mental Illness (A/CMI) facilities, and the zip code areas.

Appended as **ATTACHMENT-12C**, is a summary listing of A/CMI facilities identified as within the adjusted market area contour, their number of licensed beds, and travel times to the proposed site.

Appended as **ATTACHMENT-12D**, are the individual MapQuest Travel-time studies.

Appended as **ATTACHMENT-12E**, is a listing of Zip Codes within the 45-minute market contour of the proposed project, Vista West Behavioral Hospital.

Appended as **ATTACHMENT-12F**, is the Update to Inventory (dated May 03, 2017) to the 2015 IDPH Inventory of Health Care Facilities and Need Determinations, Hospital Services, Acute Mental Illness category of Service.

Appended as **ATTACHMENT-12G** is the 2015 IDPH, Annual Hospital Questionnaire for Chicago Behavioral Hospital.

ATTACHMENT-12

**SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND
ALTERNATIVES – INFORMATION REQUIREMENTS** Continued vi

Appended as ATTACHMENT-12H, are 32 referral letters. These letters support the project and serve as an indicator of need to appropriately utilize the facility. The 32 referral letters are from Thodur Ranganathan, MD, Medical Director and Anthony DeJoseph, PsyD, Chief Executive Officer, *Chicago Behavioral Hospital*; Savannah Alderink, Executive Director, *Harbor House*; Daisy S. Andaleon, MD, *Vista Physician Group*; Dante Gabriel, MD, *Dante Gabriel, MD, SC*; Faye Montes, MD, *Dante Gabriel, MD, SC*; Marson Tenoso, MD, *Dante Gabriel, MD, SC*; Gopal Bhalala, MD, *Internal Medicine*; Mariusz Milejczyk, MD, *Lake County Internal Medicine Associates, LLC*; Pedro Palu-ay, MD, *Vista Physician Group*; Xavier W. Parreno, MD, *Internal Medicine*; Abdul Aziz, MD; Alma Guzman, MD, *Dante Gabriel, MD, SC*; Jennifer-Jackson Bellucci, MD, *Family Medicine Specialists Incorporated*; Bruce Sewick, LCPC, CADC, CEO, *Leyden Family Service and Mental Health Center*; Bright Fellowes, PsyD, President and Owner, *Mental Health Solutions*; Edgar Ramos, PsyD, Licensed Clinical Psychologist, *Associates in Behavioral Science*; Sonja Crockett, MA, LCPC, Manager of Mobile Crisis Response and Community Based Interventions and Lorna Rivera, MD, Child & Adolescent Psychiatrist, *The Kenneth Young Center*; Karen Kness, MBA, MHA, Executive Director and Dr. Uzoma Okoli, Behavioral Health Medical Director, *Lake County Physicians' Association*; Ramesh B. Vemuri, MD, *Mathers Clinic*; Lee Francis, MD, MPH, President and CEO, *Erie Family Health Ceter*; Susan Lin, MD, Psychiatrist, *The Josselyn Center*; Eun Sun Paik, MD, *Vista Physician Group*; Lisa Johnson, Executive Director, *Independence Center*; Lisa Charles Fields, PhD, PA-C, Primary Care Provider and James A. Joseph, DO, Primary Care Physician, *Intervention Arms Medical Center, LLC*; Rashmikan Patel, MD, *Internal Medicine*; Thodur Ranganathan, MD, Psychiatrist; Luis Salazar, MD, *Provida Family Medicine*; Nina Neyman, MD, *Hill Crest Nursing Home*; Todd Paxton, DO, *Aurora Health Care*; Dennis E.

ATTACHMENT-12

SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES – INFORMATION REQUIREMENTS Continued vii

McCreary, MD, *Aurora Health Care*; Kenji Oyasu, Emergency Department Medical Director, Josia Henry, Hospitalist Physician, Tony Pallan, Hospitalist Physician and Amber Servatius, Hospitalist Medical Director, *Vista Health System*; and Rhian Morcott, MD, Staff Psychiatrist, *Lake County Health Department*.

Appended as **ATTACHMENT-12I**, are the 2015 IDPH, Hospital Questionnaires for the facilities identified within the 45-minute adjusted market area contour.

Appended as **ATTACHMENT-12J**, is a letter from Chicago Behavioral Health (CBH) documenting utilization and demand through admissions and deferrals as experienced.

5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.

The project will address the AMI needs by working with the area mental health providers to accommodate excess demand for services as identified by the existing experience of CBH (refer to **ATTACHMENT-12J**), the overall demand and need for the NBH facility, and the 32 area referral sources. These letters document 6,564 to 6,921 projected annual referrals. This reflects a range for the average length of stay of between 6.5 days to 6.9 days when maintaining the State's target use rate of 85%. This is well within the area use rates documenting that their referrals are more than enough to justify and fill the facility.

What is unique about this project is that this project is not a start-up project trying to identify referral sources, these referrals were readily available and supporting the existing 46-AMI beds. The volume of available referrals was suppressed, in part, by the following factors:

- Room assignments that often resulted in this small unit being at maximum occupancy that is lower than the license take place due to ratio of male to female patients as well as adult versus child and adolescent patients. This was done to avoid the comingling of vulnerable patients.

ATTACHMENT-12

SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES – INFORMATION REQUIREMENTS Continued VIII

- The unit is set up with semi private rooms and frequently patients need to be assigned in private rooms due to clinical issues. This unit has not been actively marketed is appears that there is a community perception that the hospital may not be open. This perception is likely due to the large campus with very small services lines in such a large building.
- To manage labor costs the unit had been staffed with a smaller core staffing compliment that would make taking admissions to full capacity challenging.
- The physical plant is old and is cosmetically in need of updating. This makes the facility less attractive than others and makes it hard to compete for patients.

This application addresses all of those issues. Moreover, service lines will be expanded to meet the needs of the residents of the service area. The Applicant proposes to offer programs for adult psychiatric, Senior Adult, child and adolescent, women only, veterans, faith-based and dual diagnosis patients. Each program will be separate from each other keeping children, women, veterans, and faith-based patients apart, as appropriate, to allow for individual programming and treatment. Through these referrals and programs, the mental health and well-being for the population will be addressed. Appended as **ATTACHMENT-12K**, is a more robust description of programs, and services offered by USHV.

6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals as appropriate.

This project's goal is to serve and provide care and services to the Acute Mental Illness population of those within the 45-minute travel time contour including Planning Areas A-08 and A-09. The goal will be measured by the Applicant's ability to continuously fill its beds and provide the proposed services.

For projects involving modernization, describe the conditions being upgraded, if any. For facility projects, include statements of age and condition of the project site, as well as regulatory citations, if any. For equipment being replaced, include repair and maintenance records.

ATTACHMENT-12

**SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND
ALTERNATIVES – INFORMATION REQUIREMENTS** Continued ix

Although this project involves modernization of an existing structure, it is a modernizing of space that was not the licensed space. The modernization and expansion will allow for the build-out of existing space for the purpose of replacing on-site the proposed AMI service. Therefore, this item is not applicable.

ATTACHMENT-12

INVENTORY OF HEALTH CARE FACILITIES AND SERVICES AND NEED DETERMINATIONS

Illinois Health Facilities and Services Review Board
Illinois Department of Public Health

ACUTE MENTAL ILLNESS Category of Service

8/4/2015
Page E- 10

			Acute Mental Illness Planning Area: A-06		2013 Utilization		
Hospital			City		Beds	Admissions	Patient Days
Loyola Health System at Gottlieb			Melrose Park		12	235	3,564
5/14/2013	E-012-13	Received exemption for change of ownership.					
MacNeal Hospital			Berwyn		62	2,676	17,630
9/24/2013	13-044	Received permit for Change of Ownership.					
Riveredge Hospital			Forest Park		210	2,968	40,317
Westlake Hospital			Melrose Park		50	1,043	11,867
2/8/2013	Bed Change	Added 17 beds to existing category of service; facility now has 50 authorized Acute Mental Illness beds.					
9/24/2013	13-042	Received permit for Change of Ownership.					
Planning Area Totals					334	6,922	73,378

Estimated 2013 Total Population	Minimum Beds per 1,000	Minimum AMI Bed Need	Experienced AMI Use Rate	Projected 2018 Total Population	Projected Patient Days	Days in Year 2018	Projected Average Daily Census	Target Occupancy Rate	Calculated Bed Need	Planned Bed Need	Excess Beds
493,350	0.11	54	148.7	494,940	73,614	365	201.7	0.85	237	237	97

			Acute Mental Illness Planning Area: A-07		2013 Utilization		
Hospital			City		Beds	Admissions	Patient Days
Alexian Brothers Behavioral Health Hospital			Hoffman Estates		141	6,138	47,359
Alexian Brothers Medical Center			Elk Grove Village		25	0	0
12/17/2013	13-062	Permit issued to establish a 25 bed Acute Mental Illness category of service.					
Chicago Behavioral Health Hospital			Des Plaines		125	891	13,479
Lutheran General Hospital - Advocate			Park Ridge		55	1,330	10,763
Northwest Community Hospital			Arlington Heights		32	1,269	8,489
Streamwood Hospital			Streamwood		178	2,547	38,372
9/1/2014	Bed Change	Added 16 Acute Mental Illness beds to existing category of service; facility now has 178 Acute Mental Illness beds.					
Planning Area Totals					556	12,175	118,462

Estimated 2013 Total Population	Minimum Beds per 1,000	Minimum AMI Bed Need	Experienced AMI Use Rate	Projected 2018 Total Population	Projected Patient Days	Days in Year 2018	Projected Average Daily Census	Target Occupancy Rate	Calculated Bed Need	Planned Bed Need	Excess Beds
631,360	0.11	70	187.6	631,840	118,552	365	324.8	0.85	382	382	174

CHM12A

Acute Mental Illness Planning Area: A-08							2013 Utilization				
Hospital		City		Beds	Admissions	Patient Days					
Evanston Hospital		Evanston		21	1,079	6,677					
Planning Area Totals				21	1,079	6,677					
Estimated 2013 Total Population	Minimum Beds per 1,000	Minimum AMI Bed Need	Experienced AMI Use Rate	Projected 2018 Total Population	Projected Patient Days	Days in Year 2018	Projected Average Daily Census	Target Occupancy Rate	Calculated Bed Need	Planned Bed Need	Beds Needed
453,490	0.11	50	14.7	451,330	6,645	365	18.2	0.85	21	50	29

62

ATTACHMENT-12A

INVENTORY OF HEALTH CARE FACILITIES AND SERVICES AND NEED DETERMINATIONS

Illinois Health Facilities and Services Review Board
Illinois Department of Public Health

ACUTE MENTAL ILLNESS Category of Service

8/4/2015

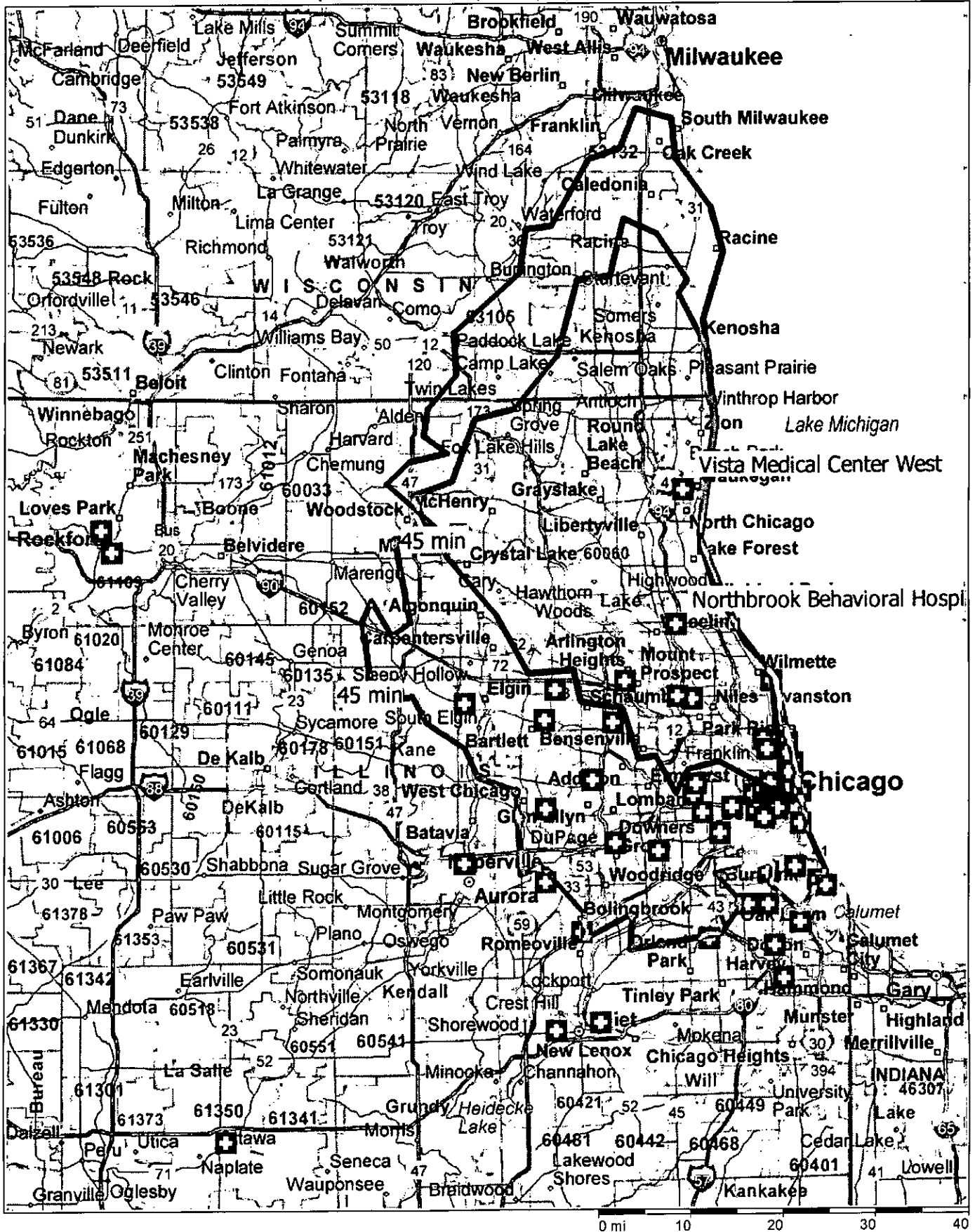
Page E- 11

Acute Mental Illness Planning Area: A-09									2013 Utilization		
Hospital	City				Beds	Admissions	Patient Days				
Highland Park Hospital	Highland Park				13	661	3,381				
Vista Medical Center West	Waukegan				46	1,452	9,420				
Planning Area Totals					59	2,113	12,801				
Estimated 2013 Total Population	Minimum Beds per 1,000	Minimum AMI Bed Need	Experienced AMI Use Rate	Projected 2018 Total Population	Projected Patient Days	Days in Year 2018	Projected Average Daily Census	Target Occupancy Rate	Calculated Bed Need	Planned Bed Need	Beds Needed
705,050	0.11	83	18.2	751,690	13,648	365	37.4	0.85	44	83	24
Acute Mental Illness Planning Area: A-10									2013 Utilization		
Hospital	City				Beds	Admissions	Patient Days				
Centegra Hospital - Woodstock 4/22/2014 14-004	Woodstock Received permit to establish Acute Mental Illness category of service with 34 authorized beds.				34	0	0				
Centegra Specialty Hospital - Woodstock 4/22/2014 14-003	Woodstock Received permit to discontinue Acute Mental Illness category of service; 36 AMI beds removed from inventory.				0	940	6,904				
11/12/2014 14-039	Received permit for total discontinuation of hospital.										
Planning Area Totals					34	940	6,904				
Estimated 2013 Total Population	Minimum Beds per 1,000	Minimum AMI Bed Need	Experienced AMI Use Rate	Projected 2018 Total Population	Projected Patient Days	Days in Year 2018	Projected Average Daily Census	Target Occupancy Rate	Calculated Bed Need	Planned Bed Need	Beds Needed
308,010	0.11	37	22.4	337,710	7,570	365	20.7	0.85	24	37	3
Acute Mental Illness Planning Area: A-11									2013 Utilization		
Hospital	City				Beds	Admissions	Patient Days				
Presence Saint Joseph Hospital - Elgin	Elgin				30	1,249	6,761				
Planning Area Totals					30	1,249	6,761				
Estimated 2013 Total Population	Minimum Beds per 1,000	Minimum AMI Bed Need	Experienced AMI Use Rate	Projected 2018 Total Population	Projected Patient Days	Days in Year 2018	Projected Average Daily Census	Target Occupancy Rate	Calculated Bed Need	Planned Bed Need	Beds Needed
397,800	0.11	48	17.0	436,360	7,416	365	20.3	0.85	24	48	18
Acute Mental Illness Planning Area: A-12									2013 Utilization		
Hospital	City				Beds	Admissions	Patient Days				
Presence Mercy Medical Center	Aurora				95	2,739	16,823				
Planning Area Totals					95	2,739	16,823				
Estimated 2013 Total Population	Minimum Beds per 1,000	Minimum AMI Bed Need	Experienced AMI Use Rate	Projected 2018 Total Population	Projected Patient Days	Days in Year 2018	Projected Average Daily Census	Target Occupancy Rate	Calculated Bed Need	Planned Bed Need	Excess Beds
366,890	0.11	45	45.9	405,330	18,586	365	50.9	0.85	60	60	35

63

ATTACHMENT-12A

Population: total (2007) by ZIP Code



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ATTACHMENT-12B

ATTACHMENT-12B

Vista West Behavioral Hospital
45-Minute Adjusted
Market Area Countour Facilities

NAME	STREET	CITY	STATE	AMI	Drive Distance	Adjusted Travel Time
Vista Medical Center West	2615 West Washington	Waukegan	IL	46		
Northbrook Behavioral Hospital PERMIT 16-011 (1)	4201 Lake Cook Road	Northbrook	IL	100	18.5	
Highland Park Hospital	718 Glenview Avenue	Highland Park	IL	13	15.7	28.75
Chicago Behavioral Hospital (2)	555 Wilson Lane	Des Plaines	IL	125	26.7	35.65
Advocate Lutheran General Hospital	1775 Dempster Street	Park Ridge	IL	55	27.7	39.1
					339	

(1) 06/21/2016 received permit to establish a facility with 100 Acute Mental Illness beds

(2) Formerly Maryville Academy / Scott A. Nolan Center. CHOW E-016-14 08/27/2014

Source:

Hospital Questionnaire for 2015, Illinois Department of Public Health, Health Systems Development

www.mapquest.com

Inventory of Health Care Facilities and Services and Need Determinations - 2015 - Acute Mental Illness Category of Service

YOUR TRIP TO:

4201 Lake Cook Rd, Northbrook, IL, 60062-1058

23 MIN | 18.9 MI

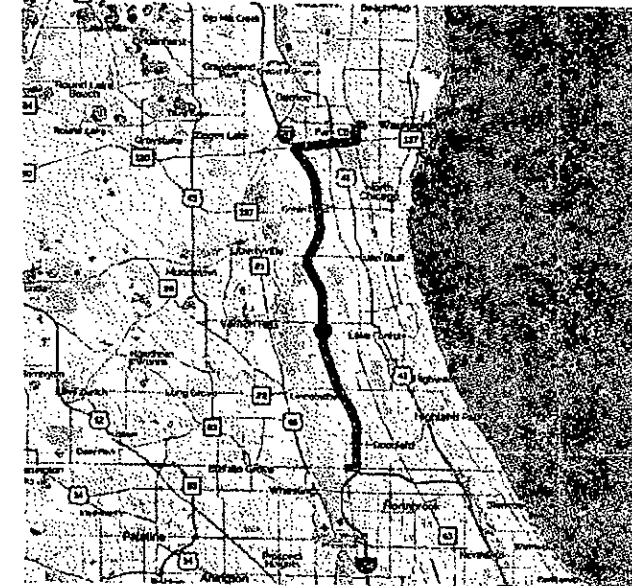
Est. fuel cost: \$1.88

Trip time based on traffic conditions as of 5:43 PM on September 5, 2017. Current Traffic: Light

Northbrook Behavioral Hospital

1. Start out going west on Washington St/County Hwy-A22 toward Washington Ter.
Then 0.40 miles 0.40 total miles
2. Turn left onto S Green Bay Rd/IL-131.
Then 0.78 miles 1.10 total miles
3. Turn right onto IL-120/Belvidere Rd.
Then 2.59 miles 3.69 total miles
4. Merge onto I-94 E/Tri State Tollway S toward Indiana (Portions toll).
Then 13.81 miles 17.60 total miles
5. Take the Lake-Cook Road exit.
Then 0.45 miles 17.94 total miles
6. Keep right to take the ramp toward Riverwoods.
Then 0.09 miles 18.01 total miles
7. Merge onto Lake Cook Rd.
Then 0.40 miles 18.41 total miles
8. Make a U-turn at Saunders Rd onto Lake Cook Rd.
Then 0.10 miles 18.51 total miles
9. 4201 Lake Cook Rd, Northbrook, IL 60062-1058.
4291 LAKE COOK RD.

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66

ATTACHMENT-12D

YOUR TRIP TO:

718 Glenview Ave, Highland Park, IL, 60035-2432

29.4MI | 18.7 MI

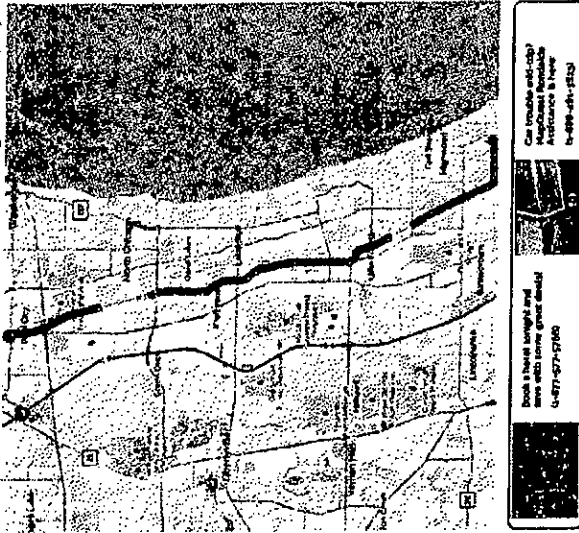
Est. Fuel Cost: \$5.60

Try new based on traffic conditions as of 9:37 PM on September 5, 2017. Current Traffic Information

Highland Park Hospital

1. Start out going west on Washington St/County Hwy. A22 toward Washington Ter.
Then 1.59 miles 1.59 total miles
2. Turn right onto N Frontage Rd.
Then 0.05 miles 1.64 total miles
3. Merge onto US-41 S.
Then 12.91 miles 14.55 total miles
4. Turn left onto Park Ave W.
Then 1.01 miles 15.57 total miles
5. Turn left onto Midwestern Ave.
Then 0.15 miles 15.72 total miles
6. Take the 1st left onto Glenview Ave.
Then 0.02 miles 15.74 total miles
7. 718 Glenview Ave, Highland Park, IL 60035-2432.
718 GLENVIEW AVE is on the left.

View of weather and other conditions as of 9:37 PM on September 5, 2017. Current Traffic Information



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Get the mobile app? Scan the QR code. Available on the App Store and Google Play. Call 1-877-577-5780 for more information.

YOUR TRIP TO:

555 Wilson Ln, Des Plaines, IL, 60018-4729

31 MIN | 26.7 MI

Est. fuel cost: \$1.94

Trip time based on traffic conditions as of 9:24 AM on September 8, 2017. Current traffic information

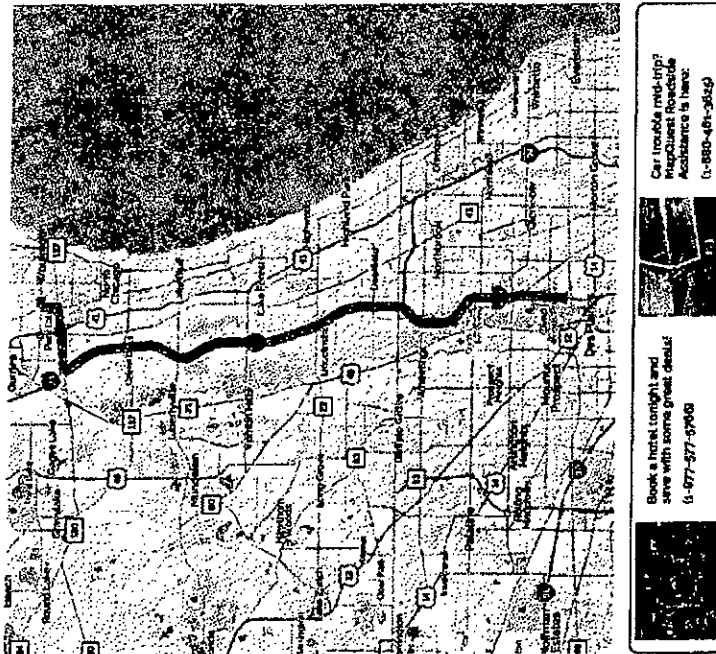
Chicago Behavioral Hospital



1. Start out going west on Washington S/County Hwy-A22 toward Washington Ter.
Then 0.49 miles 0.49 total miles
2. Turn left onto S Green Bay Rd/IL-131.
Then 0.70 miles 1.10 total miles
3. Turn right onto IL-120/Belvidere Rd.
Then 2.50 miles 3.59 total miles
4. Merge onto I-84 E/Tn State Tollway S toward Indiana (Portions toll).
Then 14.12 miles 17.81 total miles
5. Keep right to take I-294 S/Tn State Tollway S toward Indiana-O'Hare (Portions toll).
Then 7.15 miles 24.96 total miles
6. Take the exit toward IL-58/Golf Rd.
Then 0.47 miles 25.42 total miles
7. Turn left onto N East River Rd.
Then 0.11 miles 25.53 total miles
8. N East River Rd becomes Bender Rd.
Then 0.66 miles 26.19 total miles
9. Turn right onto E Ballard Rd.
Then 0.30 miles 26.49 total miles
10. Turn right onto Rand Rd.
Then 0.16 miles 26.64 total miles
11. Turn left onto Wilson Ln.
Then 0.09 miles 26.73 total miles

2615 W Washington St to 555 Wilson Ln, Des Plaines, IL, 60016-4729 Directions - Map... Page 2 of 2
12. 555 Wilson Ln, Des Plaines, IL 60018-4729, 555 WILSON LN is on the left.

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YOUR TRIP TO:

1775 Dempster St, Park Ridge, IL, 60068-1143

34 Miles | 27.7 MI

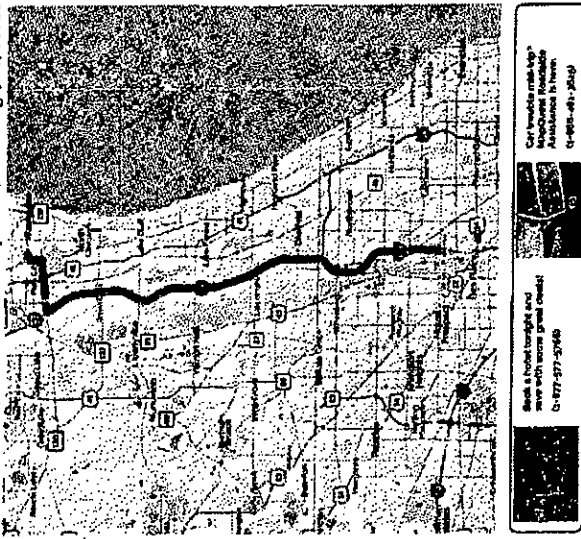
Est. Travel Time: 33:00

Map data © OpenStreetMap contributors, Imagery © Mapbox

Advocate Lutheran General Hospital

1. Start out going west on Washington St/County Hwy-A22 toward Washington Ter.
Then 0.10 miles 0.10 total miles
2. Turn left onto S Green Bay Rd/IL-131.
Then 0.70 miles 1.10 total miles
3. Turn right onto IL-120/Behlers Rd.
Then 2.50 miles 3.60 total miles
4. Merge onto I-94 E/Rt State Tollway S toward Indiana (portions toll).
Then 14.12 miles 17.81 total miles
5. Keep right to take I-294 O/Rt State Tollway S toward Indiana-Ohio (portions toll).
Then 7.18 miles 24.99 total miles
6. Take the exit toward IL-94/Golf Rd.
Then 0.17 miles 25.16 total miles
7. Turn left onto N East River Rd.
Then 0.11 miles 25.33 total miles
8. N East River Rd becomes Bender Rd.
Then 0.05 miles 25.38 total miles
9. Turn left onto E Ballard Rd.
Then 0.50 miles 25.88 total miles
10. Turn right onto Potter Rd.
Then 0.27 miles 26.15 total miles
11. Take the 2nd left onto E Dempster Sub-14 E.
Then 0.81 miles 26.96 total miles
12. 1775 Dempster St, Park Ridge, IL 60068-1143.
1775 DEMPSTER ST is on the right.

Map data © OpenStreetMap contributors, Imagery © Mapbox



YOUR TRIP TO:

2650 Ridge Ave, Evanston, IL, 60201-1718

48 MIN | 27.7 MI

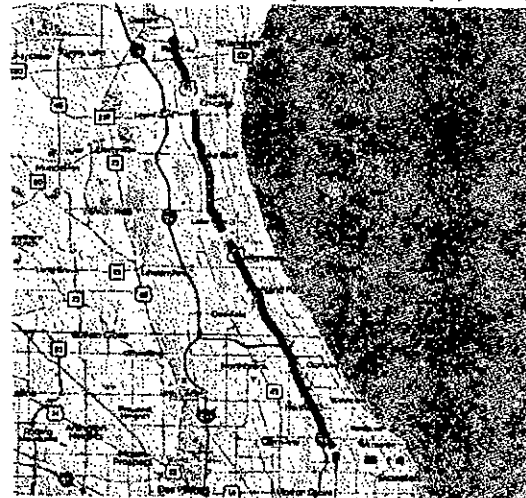
Est. fuel cost: \$2.01

MapQuest

Evanston Hospital

1. Start out going west on Washington St/County Hwy-
A22 toward Washington Ter.
Then 1.53 miles 1.53 total miles
2. Turn right onto N Frontage Rd.
Then 0.05 miles 1.58 total miles
3. Merge onto US-41 S.
Then 20.10 miles 21.68 total miles
4. Merge onto Skokie Blvd/US-41 S via EXIT 34A.
Then 1.99 miles 23.67 total miles
5. Turn left onto Old Orchard Rd.
Then 0.53 miles 24.20 total miles
6. Turn slight left onto Gross Point Rd.
Then 0.20 miles 24.40 total miles
7. Turn slight right onto Central St.
Then 2.28 miles 26.68 total miles
8. Turn left onto Ridge Ave.
Then 0.09 miles 26.77 total miles
9. 2650 Ridge Ave, Evanston, IL 60201-1718, 2650
RIDGE AVE is on the left.

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70

ATTACHMENT-12D

YOUR TRIP TO:

800 W Central Rd, Arlington Heights, IL, 60005-2349

48 MIN | 32.4 MI | 63

8.1, 101, 04631, 82.38

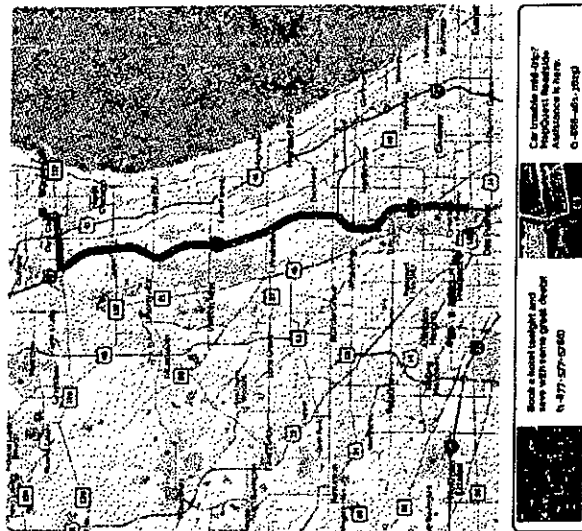
You have selected our default destination as 241 W Washington St, 60005-2349, Arlington Heights, IL, 60005-2349.

Northwest Community Hospital

1. Start out going west on Washington St/County Hwy-A22 toward Washington Ter.
Then 0.40 miles 0.40 total miles
2. Turn left onto E Green Bay Rd/IL-131.
Then 0.70 miles 1.10 total miles
3. Turn right onto IL-120/Baldwin Rd.
Then 2.59 miles 3.69 total miles
4. Merge onto I-94 E/Trl State Tollway S toward Indiana (portions toll).
Then 14.12 miles 17.81 total miles
5. Keep right to take I-294 E/Trl State Tollway S toward Indiana-Oakland (portions toll).
Then 7.16 miles 24.96 total miles
6. Take the exit toward IL-55/Golf Rd.
Then 0.47 miles 25.43 total miles
7. Turn left onto N East River Rd.
Then 0.16 miles 25.59 total miles
8. Take the 1st right onto E Golf Rd/IL-55.
Then 1.47 miles 27.06 total miles
9. Turn slight right onto Rand Rd/US-12 W.
Then 1.43 miles 28.49 total miles
10. Turn slight left onto E Central Rd.
Then 2.78 miles 31.27 total miles
11. Turn right.
Then 0.00 miles 31.27 total miles
12. Turn right.
Then 0.04 miles 31.31 total miles
13. Turn right.
Then 0.00 miles 31.31 total miles
14. Turn left.
Then 0.01 miles 31.32 total miles
15. Turn right.
Then 0.31 miles 31.63 total miles

16. 800 W Central Rd, Arlington Heights, IL, 60005-2349, 800 W CENTRAL RD.

View of destination and route is subject to our Terms of Use. We have no responsibility for any inaccuracies or omissions. Your mileage may vary.



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YOUR TRIP TO:

2544 W Montrose Ave, Chicago, IL, 60618-1537

53 MIN | 34.1 MI

Est. fuel cost: \$2.47

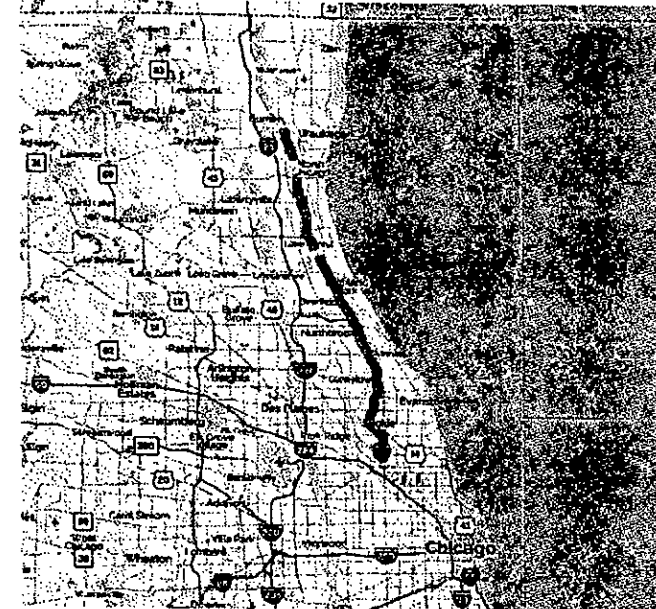
Top time based on traffic conditions as of 3:35 PM on September 8, 2017. Current Traffic Heavy

Kindred Hospital Chicago North

mapquest

1. Start out going west on Washington St/County Hwy-
A22 toward Washington Ter.
Then 1.59 miles ... 1.59 total miles
2. Turn right onto N Frontage Rd.
Then 0.05 miles ... 1.64 total miles
3. Merge onto US-41 S.
Then 20.70 miles ... 22.34 total miles
4. Stay straight to go onto I-94 E/Edens Expy S.
Then 7.90 miles ... 30.24 total miles
5. Merge onto N Cicero Ave/IL-50 S via EXIT 41C.
Then 0.77 miles ... 31.01 total miles
6. Turn slight left onto N Elston Ave.
Then 1.25 miles ... 32.26 total miles
7. Turn slight left onto W Montrose Ave.
Then 1.87 miles ... 34.13 total miles
8. 2544 W Montrose Ave, Chicago, IL 60618-1537,
2544 W MONTROSE AVE is on the left.

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73

ATTACHMENT-12D

YOUR TRIP TO:

5025 N Paulina St, Chicago, IL, 60640-2772

57 MIN | 34.1 MI

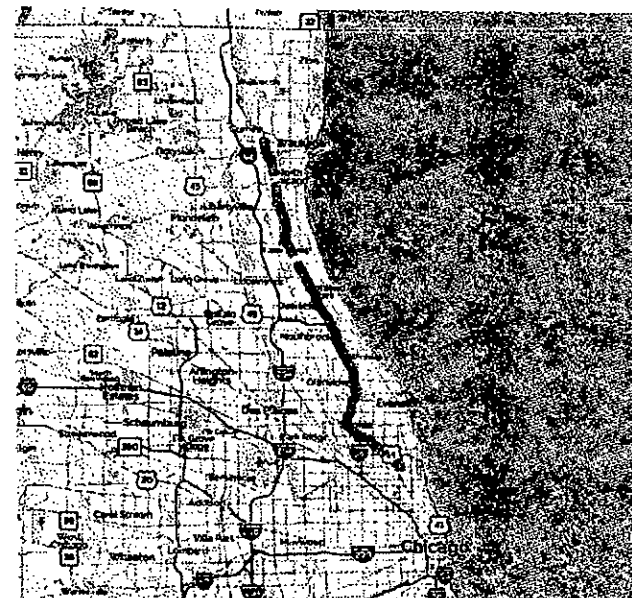
Est. fuel cost: \$2.47

Trip time based on traffic conditions as of 3:05 PM on September 6, 2017. Current traffic: heavy

Methodist Hospital of Chicago

1. Start out going west on Washington St/County Hwy-A22 toward Washington Ter.
Then 1.59 miles 1.59 total miles
2. Turn right onto N Frontage Rd.
Then 0.05 miles 1.64 total miles
3. Merge onto US-41 S.
Then 20.70 miles 22.34 total miles
4. Stay straight to go onto I-94 E/Edens Expy S.
Then 5.91 miles 28.24 total miles
5. Take the Touhy Ave E exit, EXIT 398.
Then 0.25 miles 28.49 total miles
6. Merge onto W Touhy Ave.
Then 0.61 miles 29.10 total miles
7. Turn slight right onto N Lincoln Ave/US-41 S.
Then 3.57 miles 32.67 total miles
8. Turn left onto W Foster Ave/US-41 S.
Then 1.17 miles 33.84 total miles
9. Turn right onto N Ashland Ave.
Then 0.18 miles 34.03 total miles
10. Turn right onto W Winnamac Ave.
Then 8.08 miles 34.11 total miles
11. Turn left onto N Paulina St.
Then 0.01 miles 34.12 total miles
12. 5025 N Paulina St, Chicago, IL 60640-2772, 5025 N PAULINA ST is on the left.

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YOUR TRIP TO:

2233 W Division St, Chicago, IL, 60622-3043

CHICAGO | 37.8°N

Est. Trip Length: 32.7 mi

The time based on traffic conditions as of 5/2/2017 at 10:00 AM on Route 1, 3043, Current Traffic Heavy

Presbyterian Saint Mary Of Nazareth Hospital

1. Start out going west on Washington St/County Mary-AZZ toward Washington Ter.

Then 1.58 miles

2. Turn right onto N Frontage Rd.

Then 0.65 miles

3. Merge onto US-41 S.

Then 20.79 miles

4. Stay straight to go onto I-94 E/Edens Expwy S. Continue to follow I-94 E.

Then 13.39 miles

5. Take the Fullerton Ave exit, EXIT 47A, toward 2400 N.

Then 0.13 miles

6. Merge onto Kennedy Fullerton Rd.

Then 9.17 miles

7. Take the 1st right onto W Fullerton Ave.

Then 0.20 miles

8. Turn left onto N Western Ave.

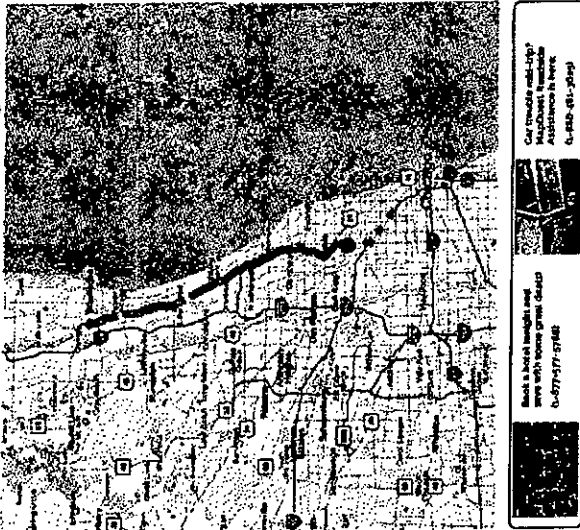
Then 1.51 miles

9. Turn left onto W Division St.

Then 0.20 miles

10. 2233 W Division St, Chicago, IL 60622-3043, 2233 W DIVISION ST is on the right.

View of Washington Ave. 1.58 miles to the destination. View of Kennedy Fullerton Rd. 9.17 miles to the destination. View of Fullerton Ave. 0.20 miles to the destination. View of Division St. 0.20 miles to the destination. The route of the trip.



Map is based on Google Maps data. Car trouble mid-trip? Call for roadside assistance. 800-855-4916. 9/5/2017

YOUR TRIP TO:

1431 N Claremont Ave, Chicago, IL 60622-1702

8:41 AM | 27.4 MI | 2

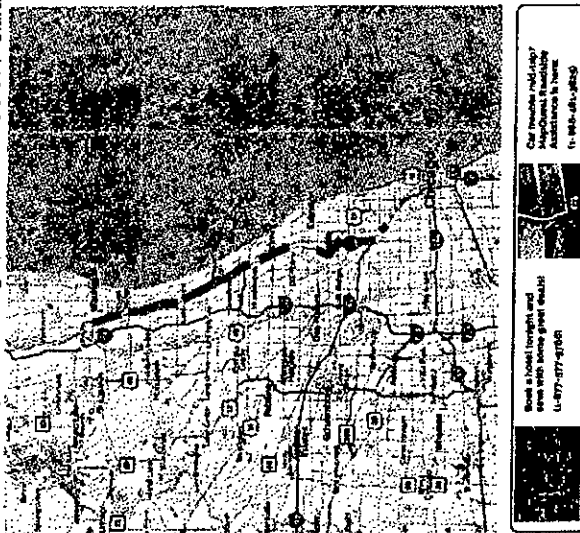
8:41 AM | 27.4 MI | 2

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Princess St. Elizabeth's Hospital

1. Start out going west on Washington St/County Hwy. A22 toward Washington Trl.
Then 1.58 miles
2. Turn right onto N Frontage Rd.
Then 0.05 miles
3. Merge onto US-41 S.
Then 20.70 miles
4. Stay straight to go onto I-94 E/Evanston Expwy S.
Continue to follow I-94 E.
Then 13.35 miles
5. Take the Fullerton Ave exit, EXIT 47A, toward 2400 N.
Then 0.12 miles
6. Merge onto Kennedy Fullerton Rd.
Then 0.11 miles
7. Take the 1st right onto W Fullerton Ave.
Then 0.20 miles
8. Turn left onto N Western Ave.
Then 1.20 miles
9. Turn left to stay on N Western Ave.
Then 0.01 miles
10. Go straight.
Then 0.02 miles
11. Turn left.
Then 0.01 miles
12. Turn right.
Then 0.04 miles
13. Turn right onto N Claremont Ave.
Then 0.01 miles
14. 1431 N Claremont Ave, Chicago, IL 60622-1702.
1431 N CLAREMONT AVE is on the left.

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Vista West Behavioral Hospital
45-Minute Zip Codes

ZIP Code	Population	ZIP Code	Population	ZIP Code	Population
53104	Wisconsin Zip Code	60026	14,376	60085	71,051
53108	Wisconsin Zip Code	60029	469	60087	26,545
53126	Wisconsin Zip Code	60030	36,649	60088	12,556
53128	Wisconsin Zip Code	60031	37,800	60089	41,594
53139	Wisconsin Zip Code	60035	29,806	60090	38,014
53140	Wisconsin Zip Code	60037	no census info	60091	27,350
53142	Wisconsin Zip Code	60040	5,391	60093	19,447
53143	Wisconsin Zip Code	60041	9,192	60096	6,871
53144	Wisconsin Zip Code	60042	8,603	60097	10,623
53154	Wisconsin Zip Code	60043	no census info	60099	31,147
53158	Wisconsin Zip Code	60044	9,715	60106	20,083
53168	Wisconsin Zip Code	60045	20,514	60131	18,125
53170	Wisconsin Zip Code	60046	35,013	60164	22,035
53177	Wisconsin Zip Code	60047	42,330	60165	4,947
53179	Wisconsin Zip Code	60048	28,966	60173	12,361
53181	Wisconsin Zip Code	60050	31,809	60176	11,834
53182	Wisconsin Zip Code	60051	24,769	60201	43,247
53402	Wisconsin Zip Code	60053	23,472	60202	32,356
53403	Wisconsin Zip Code	60056	55,803	60203	4,480
53404	Wisconsin Zip Code	60060	38,138	60618	97,324
53405	Wisconsin Zip Code	60061	26,352	60622	55,516
53406	Wisconsin Zip Code	60062	40,344	60625	78,731
60002	24,340	60064	15,954	60630	56,653
60004	50,639	60067	37,899	60631	28,255
60005	29,942	60068	37,608	60634	74,093
60008	22,043	60069	8,572	60641	72,588
60010	44,331	60070	16,147	60645	45,873
60012	10,960	60071	3,520	60646	28,203
60013	26,242	60072	910	60647	88,269
60014	48,868	60073	61,118	60656	28,526
60015	27,356	60074	39,757	60659	38,276
60016	61,096	60076	32,523	60666	no census info
60018	29,351	60077	28,053	60706	23,452
60020	9,875	60081	9,874	60712	12,666
60021	5,455	60082	no census info	60714	30,056
60022	8,486	60083	10,676	Sub-Total	1,213,147
60025	39,525	60084	15,695		
Sub-Total	438,509	Sub-Total	837,817		

Total Population within 45-min 2,489,473

Source: American Fact Finder, United States Census Bureau (www.factfinder.census.gov)
Microsoft MapPoint 2009

ATTACHMENT-12E

ILLINOIS DEPARTMENT OF PUBLIC HEALTH
STATE SUMMARY
REVISED BED NEED DETERMINATIONS
5/3/2017

ACUTE MENTAL ILLNESS PLANNING AREAS	ACUTE MENTAL ILLNESS			
	APPROVED EXISTING BEDS	CALCULATED BEDS NEEDED	ADDITIONAL BEDS NEEDED	EXCESS AMI BEDS
PLANNING AREA 1	66	77	11	0
PLANNING AREA 2	144	96	0	48
PLANNING AREA 3	242	173	0	69
PLANNING AREA 4	217	142	0	75
PLANNING AREA 5	81	67	0	14
PLANNING AREAS 6 & 7				
6 A-1	420	313	0	107
6 A-2	729	516	0	213
6 A-3	224	113	0	111
6 & 7 A-4	195	130	0	65
7 A-5	275	233	0	42
7 A-6	340	237	0	103
7 A-7	556	382	0	174
7 A-8	121	50	0	71
AREA 6 & 7 TOTALS	2,860	1,974	0	886
PLANNING AREA				
8 A-9	59	83	24	0
8 A-10	34	37	3	0
8 A-11	30	48	18	0
8 A-12	95	60	0	35
AREA 8 TOTALS	218	228	45	35
PLANNING AREA				
9 A-13	75	91	16	0
9 A-14	89	52	0	37
AREA 9 TOTALS	164	143	16	37
PLANNING AREA 10	54	44	0	10
PLANNING AREA 11	150	99	0	51
ILLINOIS AMI TOTALS	4,196	3,043	72	1,225

Patients by Ethnicity

County _____

(Includes ICU Direct Admissions Only)

116 5/17

<u>Financial Year Reported:</u>	<u>1/1/2015 to</u>	<u>12/31/2015</u>	<u>Inpatient and Outpatient Net Revenue by Payer Source</u>	<u>Total Charge</u>
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	Total Charge	
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Births Data	Newborn Nursery Utilization	Open Time Utilization
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Down to Time is plotted for

E

Z

Surgery and Operating Room Utilization

SURGICAL RECOVERY STATIONS		Stage 1 Recovery Stations	Stage 2 Recovery Stations
		0	0

Slide 2 Recovery Stations

Multi-Response Non-Ordered Probit

0 5

Emergency/Trauma Cases	Cardiac Catheterization Labs
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
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97	97
98	98
99	99
100	100

Gardner Catheterization Lab

Emergency Service Type:	Stand-By	Cardiac Catheterization Utilization
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Stand-By

Free-Standing Emergency Center	Interventional Catheterizations (0-14):	D
	Interventional Catheterizations (15+)	+

al Catheterizations (0-14):

Quantum Service Data		Pediatric (0 - 14 Years):	0
Total Client/Client Visits		Adult (15+) Treatment Sessions	

- 14 Years):

[illegible]

Thematic Elements

Source: 2015 Annual Hospital Questionnaire, Illinois Department of Public Health, Health Systems Development

Source: 2015 Annual Hospital Questionnaire, Illinois Department of Public Health, Health Systems Development



August 11, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: US HealthVest's Certificate of Need Application

Dear Ms. Avery,

We are writing this letter in support of US HealthVest's Certificate of Need application to expand behavioral health beds at Vista Medical Center West in Waukegan, IL. In February, 2016, we previously submitted a letter of support for the hospital in Northbrook IL, which had been granted a CON, noting we had deflected 672 patients referred to our hospital for inpatient care in 2015, 111 of which were from Zip Codes 60016, 60026, 60010, 60030, 60035, 60045, 60046, 60048, 60061, 60085, 60076, 60202 and 60645. All of these were in the qualifying north suburban geographic area of the proposed Northbrook Hospital as designated by The State of Illinois and are the same region defined for the currently proposed Waukegan hospital.

The current distribution of beds in Illinois clearly slights the northern suburbs. Having a relationship with in excess of fifty emergency departments, we know through being informed by nurses, crisis workers and physicians in these settings that patients have had to wait long periods in emergency rooms in order to access care; something that seems to be a well-known problem for the Lake County area and many parts of Illinois.

Even with an expansion of our own beds, Chicago Behavioral Hospital still deflects patients from the north suburbs of Cook County and all of Lake County. We have deflected 438 patients from January, 2016 through July, 2017. 117 of those deflections have come from Lake County and Northern Cook County. The zip codes where those patients resided are in the attachment to this letter. With all of the deflections, marketing efforts, new lines of service development and practices that we are attracting, we are projecting significant referrals to the 146-bed psychiatric hospital in Waukegan at Vista Medical Center West.

We believe with our experience of 26% deflections from the northern suburb catchment area, as well as our deflections from other underserved geographies, that CBH alone will refer a grand total of 48-50 patients per month to Vista West. The need for psychiatric beds does not decrease, it is increasing rapidly each year, and the first 24-month period of these beds being available to

555 Wilson Lane Des Plaines, IL 60016 (844) 756-8600 Main | (847) 768-5389 Fax
www.chicagobehavioralhospital.com

ATTACHMENT-12H



serve Lake and Northern Cook County will assist in reducing the amount of patients CBH has to deflect each month.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Vista Medical Center West. Approval of the application will increase access to these important services in our area.

Sincerely,

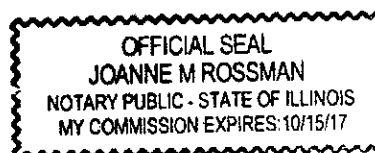
A handwritten signature in cursive script, appearing to read "Thodur Ranganathan".

Thodur Ranganathan, M.D.
Medical Director

A handwritten signature in cursive script, appearing to read "Anthony DeJoseph".

Anthony DeJoseph, Psy.D.
Chief Executive Officer

Subscribed & Sworn to before me this 11th day
of August 2017 in Cook County, Illinois
A handwritten signature in cursive script, appearing to read "Joanne M. Rossman".





CHICAGO BEHAVIORAL HOSPITAL

Area	Zip Code	City/Town
Lake County	60002	Antioch
	60010	Barrington
	60011	Barrington
Northfield	60015	Deerfield
	60015	Deerfield
	60016	Des Plaines
	60010	Fox Lake
	60077	Glencoe
	60077	
	60025	Glenview
	60025	Glenview
	60026	Glenview
	60029	Golf
	60030	Grayslake
	60031	Gurnee
	60035	Highland Park
	60017	Fort Sheridan
	60040	Highwood
	60041	Ingliside
	60042	Island Lake
	60043	
	60044	Lake Bluff
	60045	Lake Bluff
	60046	Lake Villa
	60047	Lake Zurich
	60048	Libertyville
	60053	Morton Grove
	60056	Mt Prospect
	60060	Mundelein
	60061	Vernon Hills
	60062	Northbrook
	60064	North Chicago
	60069	Lindenhurst
	60070	Prospect Heights
	60073	Round Lake
	60075	Russell
	60076	Skokie
	60077	Skokie
	60079	Waukegan
	60083	Wadsworth
	60084	Wauconda
	60085	Waukegan
	60086	North Chicago
	60087	Waukegan
	60088	Great Lakes
	60089	Buffalo Grove
	60090	Wheeling
	60091	Wilmette
	60091	Wilmette
	60091	
	60093	Winnetka
	60093	
	60096	Winthrop Harbor
	60099	Zion
	60201	Fox River Grove
Evanston	60201	
	60202	
	60203	
	60206	
	60209	
	60526	
	60545	
	60559	
	60712	
	60714	

555 Wilson Lane Des Plaines, IL 60016 (847) 756-8600 Main | (847) 768-5389 Fax

www.chicagobehavioralhospital.com



August 9, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of Need Application

Dear Ms. Avery,

I am writing this letter in support of the expansion of psychiatric beds in Lake County at Vista Medical Center West.

As a Dementia Care Facility at Harbor House located in Wheeling, my patients have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access care.

Over the last year we have had three referrals for behavioral healthcare from our facility in 60090 to local hospitals. We may refer one patient a month, twelve a year, to Northbrook Behavioral Hospital for evaluation, referrals or admission for mental health care.

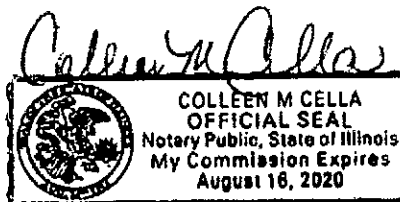
The information that have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the expansion of psychiatric beds in Lake County at Vista Medical Center West. Approval of US Health Vest's application will increase access to these important services.

Sincerely,

Savannah Alderink
Executive Director

Harbor House
Dementia Care Facility
760 McHenry Road
Wheeling, IL 60090



August 9, 2017

ATTACHMENT-12H



Daisy Andaleon, M.D.
Family Medicine

1616 Grand Ave.
Suite B
Waukegan, IL 60085

Phone: 847-249-1733
Fax: 847-782-4515

www.vistaphysiciangroup.com

August 21, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: US Health Vest's Certificate of Need Application

Dear Ms. Avery,

I am writing this letter in support of US Healthvest's Certificate of Need Application to expand behavioral health beds at Vista Medical Center West in Waukegan, IL.

As a physician at Vista Physician Group in Zion, IL, my patients have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access care.

I refer approximately 15 to 20 patients a month from the zip codes of 60085 and 60099 to receive care at existing facilities located in the area, that would be approximately 180 to 240 patients per year.

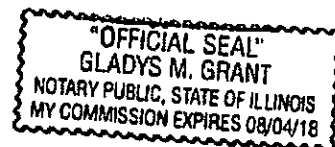
I would estimate that I would refer approximately 180 patients a year to the hospital once it has opened and accepting patients.

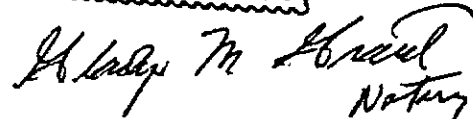
The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Vista Medical Center West. Approval of the application will increase access to these important services in our area.

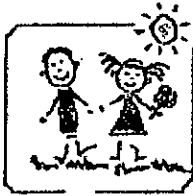
Sincerely,


Daisy S. Andaleon, M.D.
Vista Physician Group




Notary
8-24-2017

ATTACHMENT-12H



DANTE GABRIEL, MD, SC

Dante Gabriel, MD
Faye Montes, MD
Alma Guzman, MD
Marson Teñoso, MD

August 21, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of Need Application

Dear Ms. Avery,

I am Dr. Dante Gabriel with my office located in Gurnee, IL. I am supporting the expansion of psychiatric beds in Lake County at Vista Medical Center West. Access to inpatient mental health care is important for our community and the lack of psychiatric beds in this community impacts the continuum of care leaving my patients with options that take them out of the community they live in. This situation compromises family involvement, access to after care post hospitalization and management of mental health emergencies for our residents in Waukegan.

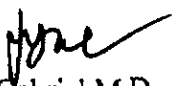
In my practice alone, I have seen approximately 72 patients in the past 12 months. Of the 72 patients, approximately 60 were from zip code 60031 and 12 from 60087.


I project to see approximately 100 patients annually that will require such services.

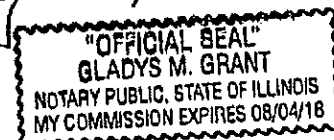
The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

The community of Waukegan thanks you for approving this application as soon as possible.

Sincerely,

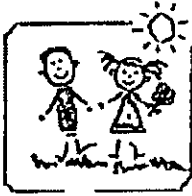

Dante Gabriel M.D.
Dante Gabriel, M.D., SC


Notary 8/21/2017



15 Tower Ct., Suite 150, Gurnee IL, 60030
Tel: 847-623-4464 Fax: 847-623-9984
www.drgabrielpediatrics.com

ATTACHMENT-12H



DANTE GABRIEL, MD, SC

Dante Gabriel, MD
Faye Montes, MD
Alma Guzman, MD
Marson Teñoso, MD

August 21, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, IL 62761

RE: US Health Vest's Certificate of Need Application

Dear Ms. Avery

I am writing you this letter in support of US Health Vest's Certificate of Need Application to expand behavioral health beds at Vista Medical West in Waukegan, IL.


As a physician located in Gurnee, IL, my patients have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access psychiatric care.

I estimate that there are approximately 5-6 of my patients that seek psychiatric services from the hospital and about half of them are not able to receive psychiatric services on a monthly basis. It is possible that there is more patients that go without services as I do not always receive notifications of patients seeking psychiatry services from the hospital.


The information I have provided has not been used to support another pending CON application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Vista Medical Center West. Approval of the application will increase access to these important services in our area.

Sincerely,

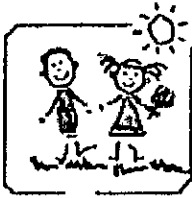

Faye Montes, MD




Gladys M. Grant
Notary
8-21-2017

15 Tower Ct., Suite 150, Gurnee IL, 60030
Tel: 847-623-4464 Fax: 847-623-9984
www.drgabrielpediatrics.com

ATTACHMENT-12H



DANTE GABRIEL, MD, SC

Dante Gabriel, MD
Faye Montes, MD
Alma Guzman, MD
Marson Teñoso, MD

August 21, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, IL 62761

RE: US Health Vest's Certificate of Need Application

Dear Ms. Avery

I am writing you this letter in support of US Health Vest's Certificate of Need Application to expand behavioral health beds at Vista Medical West in Waukegan, IL.

As a physician located in Gurnee, IL, my patients have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access psychiatric care.

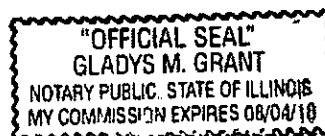
I estimate that there are approximately 5-6 of my patients that seek psychiatric services from the hospital and about half of them are not able to receive psychiatric services on a monthly basis. It is possible that there is more patients that go without services as I do not always receive notifications of patients seeking psychiatry services from the hospital.

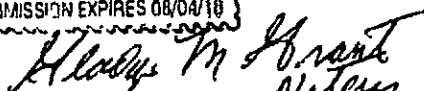
The information I have provided has not been used to support another pending CON application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Vista Medical Center West. Approval of the application will increase access to these important services in our area.

Sincerely,


Marson Teñoso, MD




Gladys M. Grant
Notary
8-21-2017

15 Tower Ct., Suite 150, Gurnee IL, 60030
Tel: 847-623-4464 Fax: 847-623-9984
www.drgabrielpediatrics.com

ATTACHMENT-12H

GOPAL BHALALA, M.D.

Internal Medicine

2024 Lewis Avenue

Zion, IL 60099

(847) 872-5911

August 21, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of Need Application

Dear Ms. Avery,

I am Dr. Gopal Bhalala at Gopal Bhalala M.D. clinic located in Zion, IL. I am supporting the expansion of psychiatric beds in Lake County at Vista Medical Center West. Access to inpatient mental health care is important for our community and the lack of psychiatric beds in this community impacts the continuum of care leaving my patients with options that take them out of the community they live in. This situation compromises family involvement, access to after care post hospitalization and management of mental health emergencies for our residents in Waukegan.

In my practice alone, I have seen approximately 112 patients in the past 12 months. Of the 112 patients, approximately 65% were from the Zion and 30% Waukegan area; zip codes of 60099 and 60087 respectively. The 5% balance is from Gurnee zip code 60031.

I project to see approximately 100 to 115 patients annually that will require such services.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

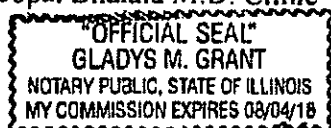
The community of Waukegan thanks you for approving this application as soon as possible.

Sincerely,



Gopal Bhalala M.D.

Gopal Bhalala M.D. Clinic



Gladys M. Grant
Notary
8-21-2017

Gopal Bhalala M.D.
2024 Lewis Avenue
Zion, IL 60099
(847) 872-5911

ATTACHMENT-12H

**Lake County Internal Medicine Associates, LLC
Mariusz Milejczyk M.D.**

15 Tower Ct Suite 190 Gurnee, IL 60031 | 847-672-8373 | Fax 847-672-8380

August 21, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson St
Springfield, IL 62761

RE: US Health Vest's Certificate of Need Application

Dear Ms. Avery,

I am writing this letter in support of US HealthVest's Certificate of Need application to expand behavioral health beds at Vista Medical Center West in Waukegan, IL.

As a physician at Lake County Internal Medicine Associates located in Gurnee, IL, my patients have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access care.

I have admitted approximately 90 patients to Vista in the last year, of those approximately 80% of those are from Gurnee 60031, 20% from Libertyville 60048. In the future, we anticipate 80-120 patients per year.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Vista Medical Center West. Approval of the application will increase access to these important services in our area.

Sincerely,


Mariusz Milejczyk M.D.
Lake County Internal Medicine Associates, LLC



Gladys M. Grant
Notary
8-21-2017

ATTACHMENT-12H



Pedro Palu-ay, MD
Family Medicine

2723 Sheridan Rd.
Ste C
Zion, IL 60099

Phone: 847-360-4260
Fax: 847-360-4159

www.vistaphysiciangroup.com

August 21, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: US Health Vest's Certificate of Need Application

Dear Ms. Avery,

I am writing this letter in support of US Healthvest's Certificate of Need Application to expand behavioral health beds at Vista Medical Center West in Waukegan, IL.

As a physician at Vista Physician Group in Zion, IL, my patients have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access care.

I refer approximately 10 to 15 patients a month from the zip codes of 60099 and 60085 to receive care at existing facilities located in the area, that would be approximately 120 to 180 patients per year.

I would estimate that I would refer approximately 120 patients a year to the hospital once it has opened and accepting patients.

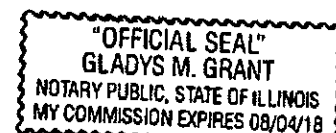
The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Vista Medical Center West. Approval of the application will increase access to these important services in our area.

Sincerely,

A handwritten signature in black ink, appearing to read "Pedro Palu-ay", is written over a horizontal line.

Pedro Palu-ay, M.D.
Vista Physician Group



Gladys M. Grant
Notary
8-21-2017

ATTACHMENT-12H

Xavier W Parreño, M.D.
Internal Medicine

135 N. Greenleaf Street
Suite 100
Gurnee, IL 60031

(847) 336-2150
Fax: (847) 336-2160

August 21, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of Need Application

Dear Ms. Avery,

I am Dr. Xavier Parreno at Clinica El Divino Nino located in Gurnee, IL. I am supporting the expansion of psychiatric beds in Lake County at Vista Medical Center West. Access to inpatient mental health care is important for our community and the lack of psychiatric beds in this community impacts the continuum of care leaving my patients with options that take them out of the community they live in. This situation compromises family involvement, access to after care post hospitalization and management of mental health emergencies for our residents in Waukegan.


In my practice alone, I have seen approximately 52 patients in the past 12 months. Of the 52 patients, approximately 95% were from the Waukegan and 5% Gurnee area; zip codes of 60087 and 60031 respectively.

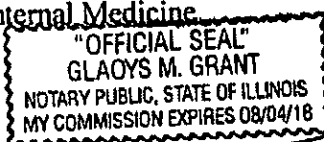
I project to see approximately 50 to 100 patients annually that will require such services.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

The community of Waukegan thanks you for approving this application as soon as possible.

Sincerely,


Xavier W. Parreno M.D.
Internal Medicine

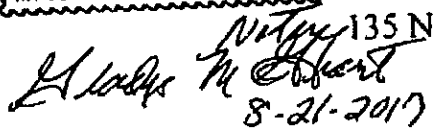


Xavier Parreno M.D.

135 N. Greenleaf St., Suite 100

Gurnee, IL 60031

(847) 336-2150


8-21-2017

ATTACHMENT-12H

Abdul Aziz, M.D.
2504 WASHINGTON STREET
SUITE 601
WAUKEGAN, ILLINOIS 60085
—
TELEPHONE (708) 662-1112

August 22, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Service Review Board
525 West Jefferson Street
Springfield, Il. 62761

Re: US Health Vest's Vertificate of Need Application

Dear Courtney Avery,

I am writing this letter in support of US Healtvest's Certificate of Need application to expand behavioral health beds at Vista Medical Center West in Waukegan, Il.

As a physician located in Waukegan, Il. my patients sometimes face delay in accessing inpatient psychiatric care due to bed shortages. There have been times patients have had to wait to access care.

I have treated approsimately 6 patients within the last 12 months in zip code areas 60085(4), zip code area 60099(1), and zip code 60031(1).

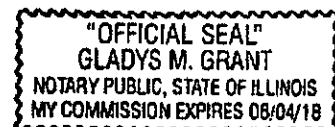
Within the next 24 months after the new hospital is open I intend to treat approximately 6 to 10 patients with a mental health diagnosis.

I think there is a great need for additional Psychiatric beds in this area to satisfy community need.

Regards,

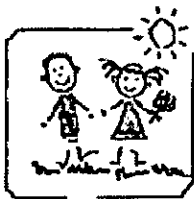


Abdul Aziz, MD.



Gladys M Grant
Notary
8-22-2017

ATTACHMENT-12H



DANTE GABRIEL, MD, SC

Dante Gabriel, MD
Faye Montes, MD
Alma Guzman, MD
Marson Teñoso, MD

August 22, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, IL 62761

RE: US Health Vest's Certificate of Need Application

Dear Ms. Avery

I am writing you this letter in support of US Health Vest's Certificate of Need Application to expand behavioral health beds at Vista Medical West in Waukegan, IL.

As a physician located in Gurnee, IL, my patients have experienced frequent delays in accessing inpatient psychiatric care mainly due to bed shortages. There have been many times patients have had to wait to access psychiatric care.

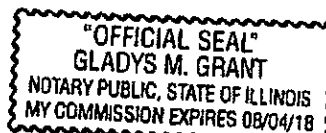
I estimate that there are approximately 5-6 of my patients that seek psychiatric services from the hospital and about half of them are not able to receive psychiatric services on a monthly basis. It is possible that there are more patients that go without services as I do not always receive notifications of patients seeking psychiatry services from the hospital.

The information I have provided has not been used to support another pending CON application for a behavioral hospital.

I urge you to support the approval of certificate of need application for Vista Medical Center West. Approval of the application will increase access to these important services in our area.

Sincerely,

Alma Guzman, MD



Gladys M. Grant
Notary
8-22-2017

15 Tower Ct., Suite 150, Gurnee IL, 60030
Tel: 847-623-4464 Fax: 847-623-9984
www.drgabrielpediatrics.com

ATTACHMENT-12H

FAMILY MEDICINE SPECIALISTS INCORPORATED

917 Belvidere Rd
Waukegan, IL 60085
Telephone (847) 244-4995
Fax (847) 244-5099

Jennifer Bellucci-Jackson, M.D.
David J. Alengo, M.D.
Tsvetan Naydenov, M.D.
Timothy Froderman M.D.

August 22, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of Need Application

Dear Ms. Avery,

I am Dr. Jennifer Bellucci at Family Medicine Specialist with offices located in Waukegan, Antioch and Wauconda, IL. I am supporting the expansion of psychiatric beds in Lake County at Vista Medical Center West. Access to inpatient mental health care is important for our community and the lack of psychiatric beds in this community impacts the continuum of care leaving my patients with options that take them out of the community they live in. This situation compromises family involvement, access to after care post hospitalization and management of mental health emergencies for our residents in Waukegan and surrounding area..

In my practice alone, I have seen approximately 825 patients in the past 12 months. Of the 825 patients, approximately 710 were 60085, 106 from 60046, and 9 from 60030 zip codes..

I project to see approximately 800 to 900 patients annually that will require such services.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

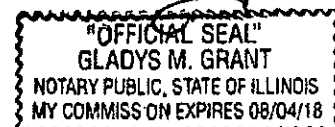
The community of Waukegan thanks you for approving this application as soon as possible.

Sincerely,



Jennifer-Jackson Bellucci (M.D.)
Family Medicine Specialist

Gladys M. Grant
Notary 8/22/17



ATTACHMENT-12H



LEYDEN FAMILY SERVICES

10001 W. Grand Avenue
Franklin Park, Illinois 60131
Phone: (847) 451-0330
Fax: (847) 451-1652

DONNA CHIARIELLO SANTORO, LCSW
Chief Executive Officer

August 22, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: US HealthVest's Certificate of Need Application for Vista Medical Center West

Dear Ms. Avery,

I am writing this letter in support of US HealthVest's Certificate of Need application to expand behavioral health beds at Vista Medical Center West in Waukegan, IL.

I am the CEO at Leyden Family Service and Mental Health Center in Franklin Park, IL. Our clients often have to wait in emergency departments for psychiatric treatment due to bed shortages. Many times they do not receive inpatient care and are referred to outpatient care while still in a mental health emergency. The lack of access to the inpatient level of care in Lake County leads to poor outcomes in mental healthcare. This has to be addressed.

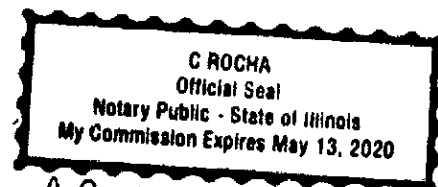
In the past year we have recommended an estimated number of 175 clients for hospitalization in the areas of residence that include: 60070, 60056, 60090, 60010, 60011, 60089, 60076, 60077, 60053, 60038, 60055, 60067, 60074, 60078, 60094, 60095. Once this hospital in Lake County is open we anticipate referring around 200 clients for hospitalization in these areas and estimate referring about 105 of these clients to the hospital in Lake County once it is open in the first twenty four months.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

Please approve this application. It will increase access to these important inpatient mental health services for patients in need in Lake County.

Sincerely,


Bruce Sewick, LCPC, CADC
CEO Leyden Family Service and Mental Health Center



C. Rocha 8/22/17

Leyden Family Service and Mental Health Center
847-451-0330

bsewick@leydenfamilyservice.org

ATTACHMENT-12H  United Way
Agency



August 22, 2017

Bright Fellowes PsyD
PO Box 684
Mundelein, IL. 60060

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: US HealthVest's Certificate of Need Application for Vista Medical Center West

Dear Ms. Avery,

I am writing this letter in support of US HealthVest's Certificate of Need application to expand behavioral health beds at Vista Medical Center West in Waukegan, IL.

I am a Licensed Clinical Psychologist at Mental Health Solutions located in Mundelein Illinois. My patients often have to wait in emergency departments for psychiatric treatment due to bed shortages. Many times they do not receive inpatient care and are referred to outpatient care while still in a mental health emergency. The lack of access to the inpatient level of care in Lake County leads to poor outcomes in mental healthcare. This has to be addressed.

I would estimate that our providers have referred at least 50 or more clients to local hospitals and inpatient facilities within the past 12 months. These clients come from zip codes within Lake, McHenry, and Cook counties.

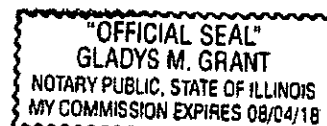
I believe that an increase in availability of inpatient mental healthcare in this area would have a positive impact on my practice. I would anticipate that we would refer at least one hundred clients for evaluation/admission within the first 24 months of its opening.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

Please approve this application. It will increase access to these important inpatient mental health services for patients in need in Lake County.

Sincerely,

Bright Fellowes PsyD
President and Owner
Mental Health Solutions



8-22-2017
ATTACHMENT-12H

Barrington Courte
101 Lions Drive
Suite 115
Barrington, IL
60010

201 E. Park Street
Unit B
Mundelein, IL
60060

Phone: (847) 566 - 0164

Fax: (847) 566 - 0375

www.ilmentalhealthsolutions.com



ASSOCIATES IN BEHAVIORAL SCIENCE
6201 West Cermak, Berwyn, IL 60402 708-788-8808

August 22, 2017

Courtney Avery Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: US HealthVest's Certificate of Need Application for Vista Medical Center West Hospital

Dear Ms. Avery,

I am writing this letter in support of US Healthvest's Certificate of Need application for a behavioral hospital in Waukegan.

As a large interdisciplinary psychiatric practice that works across five hospitals in the Chicago area, we have found that there is very poor access to psychiatric care in the northern suburbs and Lake County, and a project of this nature would be quite helpful for accessibility, and in solving the bed shortage in the northern area of Illinois. Patients from this area often have to wait to access care, and quite frankly it's really not available in Lake County and its cities and towns. Patients characteristically have to be taken out of that area, either down into Chicago or into the far western suburbs for care. There is simply no options available, and we know this because we receive referrals from this area that we are forced to hospitalize very far from our North suburban referral sources.

We hospitalize well over 2000 patients per year, and the fairly significant portion of them come from the north suburban area of which Northbrook is a part. Zip codes for this total are from across the state and too numerous to list. However, with regard to the number of patients that we've had to hospitalize away from their home from that area, whom would be better served in a hospital in Northbrook, we have had approximately 468 admissions from Zip Codes 60089, 60714, 60202, 60076, 60010, 60077, 60048, and 60026. To put this in perspective, we have had to take patients from these ZIP Codes, all of which are from Lake County, and treat them as far as 30-35 miles away. It would make more sense to treat people near their own community.

Accordingly, we would estimate being able to refer the majority of those 468 patients to Vista Medical Center West's behavioral hospital, and given that it is not likely that 100% (39) of this group would end up there, we would approximate some 35 of these patients to be hospitalized at the site per month.

The information that I have included has not been used to support another pending or approved CON application for a behavioral hospital.

I urge you to support the approval of US HealthVest's application for a behavioral hospital at Vista Medical Center West. Approval of US HealthVest's application will increase access to these geographically and gravely needed services.

Sincerely,

Edgar Ramos
Edgar Ramos, Psy.D.
Licensed Clinical
Psychologist



*Submitted & sworn to before me
this 22nd day of August, 2017 in
Cook County, Illinois
Joanne M. Rossman*
ATTACHMENT-12H



www.kennethyoung.org

August 23, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of Need Application

Dear Ms. Avery,

I am the Manager of Mobile Crisis Response and Community Based Interventions at the Kenneth Young Center located in Mt Prospect. I am supporting the expansion of psychiatric beds in Lake County at Vista Medical Center West. Access to inpatient mental health care is important for our community and the lack of psychiatric beds in this community impacts the continuum of care leaving my patients with options that take them out of the community they live in. This impacts the family involvement, access to after care post hospitalization and management of mental health emergencies for our residents in Waukegan.

Over the past 12 months, the Kenneth Young Center SASS team has provided crisis assessment services to 48 Lake County residents that have come to the Kenneth Young Center service area in Cook County for assessment and referral information. The breakdown of clients by zip code is as follows:

60002= 2 clients	60047= 2 clients	60069= 2 clients	60060= 6 clients
60073= 10 clients	60061= 3 clients	60084= 4 clients	60085= 7 clients
60087= 2 clients	60020= 2 clients	60031= 3 clients	60037= 2 clients
60041= 2 clients	60046= 1 client		

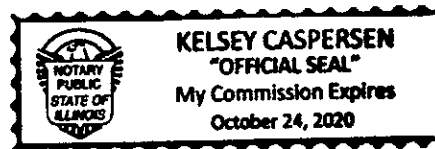
These 48 clients all received a crisis assessment while at a psychiatric facility or emergency room within the KYC service area and were recommended to either inpatient hospitalization or intensive outpatient services through one of the providers in the area. These clients would benefit from services closer to home and referral to Vista Medical Center West.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

The community of Waukegan thanks you for approving this application as soon as possible.

Sincerely,

Sonja Crockett, MA, LCPC
Manager of Mobile Crisis Response and Community Based Interventions
The Kenneth Young Center



8/24/2017

ELK GROVE VILLAGE
1001 Rohlfing Rd.
Elk Grove Village, IL 60007
Phone: 847.524.8800
Fax: 847.524.8824

MOUNT PROSPECT
1585 W. Dempster St., Suite 110
Mount Prospect, IL 60056
Phone: 847.621.2040
Fax: 847.258.3120

SCHAUMBURG
1 Illinois Blvd., Suite 107
Hoffman Estates, IL 60169
Phone: 847.884.6212
Fax: 847.884.6687
ATTACHMENT-12H



www.kennethyoung.org

August 23, 2017

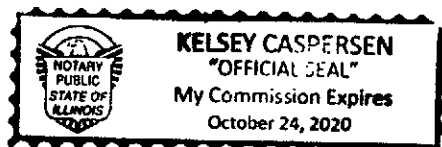
Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of Need Application

I endorse the information provided in the letter of support written by Sonja Crockett for the expansion of psychiatric beds in Lake County at Vista Medical Center West.

Sincerely,

Lorna Rivera, M.D.
Child & Adolescent Psychiatrist
The Kenneth Young Center



8/24/2017

ELK GROVE VILLAGE
1001 Rohlwing Rd.
Elk Grove Village, IL 60007
Phone: 847.524.8800
Fax: 847.524.8824

MOUNT PROSPECT
1585 W. Dempster St., Suite 110
Mount Prospect, IL 60056
Phone: 847.621.2040
Fax: 847.258.3120

SCHAUMBURG
1 Illinois Blvd., Suite 107
Hoffman Estates, IL 60169
Phone: 847.884.6212
Fax: 847.884.6687

ATTACHMENT-12H

Lake County Physicians' Association

2615 Washington Street • Waukegan, Illinois 60085-4988 • Telephone: 847-625-6062 • Fax 847-625-6225 • www.lakecountyphysicians.com

August 23, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

Re: Vista Medical Center West

Dear Ms. Avery,

I understand that US HealthVest is planning to expand behavioral health services at Vista Medical Center West in Waukegan, Illinois. Lake County Physicians' Association, an Independent Physician Association located in Waukegan IL, would like to extend its support of US HealthVest acquiring Vista Medical Center West.

Lake County Physicians' Association is a not for profit organization that is responsible for managing care and paying professional claims of ~8,000 HMO members. Providers in our network consist of 56 primary care physicians and over 200 specialists. Our providers refer members for substance use and behavioral health services including emergent, inpatient, outpatient, day/night, intensive outpatient and residential.

On behalf of Lake County Physicians' Association, there is a significant demand for behavioral health and substance use services. Please see the supporting zip code data below. This data details the zip codes of the patients by volume we have served over the past 12 months. The patients we manage for all related behavioral health diagnoses will be treated at this new facility, LCPA physicians will refer a significant number of patients annually, projected 2018 is ~300 patients. Not only will LCPA physicians refer members to US HealthVest for treatment but the benefits to the community and outlying areas will be tremendous such as providing greater access to community health, education and outreach programs, which are greatly needed in Lake County and the surrounding areas.

60002	31
60020	3
60030	7
60031	10
60041	13

ATTACHMENT-12H

60042	1
60045	3
60046	9
60061	1
60064	2
60073	25
60083	10
60085	71
60087	55
60090	1
60096	6
60099	58
60525	1

The information I have included has not been used to support another pending or approved certificate of need application for a behavioral hospital.

Thank you,

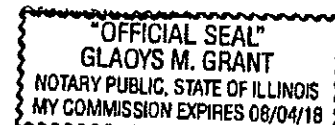
Karen Kness, MBA, MHA
Executive Director
Lake County Physicians' Association



Karen Kness, MBA, MHA
Executive Director
Lake County Physicians' Association



Dr. Uzoma Okoli
Lake County Physicians' Association Behavioral Health Medical Director



Glaoys M. Grant
Notary
8-28-2017

ATTACHMENT-12H

August 23, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of Need Application

Dear Ms. Avery,

I am a Psychiatrist with private practice locations in Northwest and North East communities of Chicago suburbs located in Fox Lake, Crystal Lake and Woodstock. I am supporting the expansion of psychiatric beds in Lake County at Vista Medical Center West. Access to inpatient mental health care is important for our community and the lack of psychiatric beds in this community impacts the continuum of care leaving my patients with options that take them out of the community they live in. This impacts the family involvement, access to after care post hospitalization and management of mental health emergencies for our residents in Waukegan and surrounding locations.

Mathers LLC, Mathers Community Mental Health Center and Mathers Recovery are Mental Health / Substance Abuse Outpatient Agencies. We are a fast growing practice located in Rockford, Elgin, Crystal Lake, Woodstock and Fox Lake. Mathers Clinic also provides Psychiatric Services to 15 Assisted Living Nursing Home Facilities. In order to meet the psychiatric need in our community, we started Psych Express which allows us to provide psychiatric services when urgently needed. Clients in crisis are often seen the same day or the next day. The problem that occurs is not being able to find a bed when needed. We especially have difficulty placing seniors, adolescents, and children. It often takes hours, and sometimes days, to get a client admitted. Mathers Clinic was represented when the certificate of need was approved. The delay in providing Mental Health and Substance Abuse In Patient treatment is a risk and a hardship to the client and their families.

In my practice alone there occurs a need for more than 35 -40 per year from the nearby Communities of Zip codes—

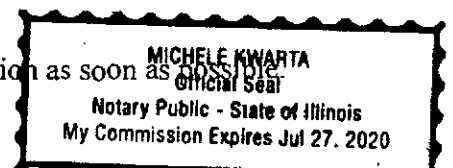
To give you an idea of Zip codes we draw our clients for the past six months' statistics:

60002—35, 60010—35, 60020—70, 60030-31—244, 60041-42—70, 60046-47—35,
60083-84—90, 60086-87—95, 60088-89 15, 60070-74—120

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

The community of Waukegan thanks you for approving this application as soon as possible

Sincerely,



MATHERS
CLINIC
The Center for Counseling Services

Ramesh B. Vemuri, MD
Fox Lake: 145 South Virginia Street, Suite C ~ Crystal Lake, IL 60014
Rockford: 6090 Strathmoor Drive, Suite 1 ~ Rockford, IL 61107
Woodstock: 715 West Judd Street ~ Woodstock, IL 60098
Fox Lake: 81 E. Grand Ave ~ Fox Lake, IL 60020
Elgin: 585 North Tollgate Road, Suite E ~ Elgin, IL 60123
www.elginmethadoneclinic.com

Fax: 815.356.6680 | www.themathersclinic.com
Fax: 815.397.2712
Fax: 815.338.7728 | 815.444.9999

ATTACHMENT-12H 847.462.6099
Fax: 847.628.6064



August 25, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of Need Application

Dear Ms. Avery,

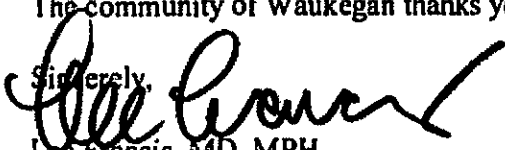
I am a CEO of Erie Family Health Center (Erie) which operates Erie HealthReach Waukegan Health Center (Erie HealthReach) located at 2323 W Grand Avenue in Waukegan, IL. I am supporting the expansion of psychiatric beds in Lake County at Vista Medical Center West. Access to inpatient mental health care is important for our community and the lack of geographically accessible psychiatric beds impacts the continuum of care, leaving mentally ill Erie HealthReach patients to seek care outside of the community they live in. This further impacts family involvement, access to care post hospitalization, and management of mental health emergencies for our patients in Waukegan.

At Erie HealthReach Waukegan alone, we provide care to 4,741 patients annually (please see data by zip code for 12 months attached). We anticipate that of these patients, Erie will find the need to refer 1.3% of those we serve or approximately 62 patients to inpatient psychiatric care. At Erie, we provide behavioral health therapy and psychiatry services that can serve as an entry point for diagnosing and treating mental illness for those who have mild to moderate mental health conditions. Those with serious mental illness (SMI) can require care from inpatient facilities like Vista Medical Center West. Growing our ability to refer more of our patients with SMI to a local facility will greatly improve the quality of care we are able to provide these patients.

We reiterate our support for US HealthVest's plan to add 100 additional psychiatric beds in close proximity to Erie HealthReach Waukegan Health Center. The information I have included has not been used to support another pending or approved certificate of need application for a behavioral hospital.

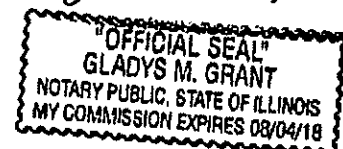
The community of Waukegan thanks you for approving this application as soon as possible.

Sincerely,


Lee Francis, MD, MPH
President and CEO
Erie Family Health Center




8-25-2017





Erie HealthReach Waukegan Patients		
Zip Codes	Town	Number
53142	Kenosha	2
53144	Kenosha	3
53158	Pleasant Prairie	3
54913	Appleton	2
60002	Antioch	25
60004	Arlington Heights	5
60010	Deer Park	2
60010	Barrington	3
60013	Cary	3
60015	Deerfield	5
60020	Fox Lake	10
60026	Glenview	2
60030	Grayslake	50
60030	Hainesville	2
60030	Gages Lake	2
60030	Third Lake	2
60031	Gurnee	116
60034	Hebron	3
60034	Highland Park	3
60040	Highwood	12
60041	Ingleside	3
60042	Island Lake	3
60044	Lake Bluff	38
60045	Lake Forest	5
60046	Lake Villa	13
60046	Lindenhurst	18
60047	Lake Zurich	15
60047	Long Grove	2
60048	Libertyville	25
60051	McHenry	2
60051	Lakemoor	8
60060	Mundelein	278
60061	Vernon Hills	60
60062	Northbrook	2





Centro de Salud | Family Health Center
1957-2017

60064	North Chicago	270
60069	Lincolnshire	2
60069	Prairie View	3
60070	Prospect Heights	2
60073	Round Lake	46
60073	Round Lake Beach	169
60073	Round Lake Heights	5
60073	Round Lake Park	38
60073	Hainesville	7
60074	Palatine	2
60076	Skokie	2
60077	Skokie	5
60079	Waukegan	15
60083	Wadsworth	8
60083	Beach Park	5
60084	Wauconda	13
60085	Waukegan	2371
60085	Park City	131
60087	Waukegan	493
60087	Beach Park	55
60088	Great Lakes	5
60089	Buffalo Grove	2
60090	Wheeling	5
60093	Winnetka	2
60096	Winthrop Harbor	12
60099	Beach Park	31
60099	Zion	270
60106	Bensenville	2
60110	Carpentersville	2
60164	Northlake	2
60201	Evanston	5
60202	Evanston	5
60613	Chicago	2
60618	Chicago	2
60629	Chicago	3
60630	Chicago	2



Erie Family Health Center | 1701 West Superior Street | Chicago, IL 60622 | 312 666 3494 | eriefamilyhealth.org

ATTACHMENT-12H



Centro de Salud | Family Health Center
1957-2017

60639	Chicago	3
60641	Chicago	2
60645	Chicago	3
60647	Chicago	2
60659	Chicago	2
60660	Chicago	2
60707	Elmwood Park	3
60804	Cicero	2
61074	Savanna	2
62301	Quincy	5
92880	Corona (CA)	2
	Total	4741



Erie Family Health Center | 1701 West Superior Street | Chicago, IL 60622 | 312.666 3494 | eriefamilyhealth.org

ATTACHMENT-12H



THE
JOSSELYN
CENTER

Mental Health For Clients
Hope For Families
Healing For Communities

405 Central Avenue
Northfield, IL 60093
847.441.5600
Fax 847.441.7968
www.josselyn.org

August 25, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of Need Application

Dear Ms. Avery,

I am a psychiatrist at The Josselyn Center located in Northfield, IL. I am supporting the expansion of psychiatric beds in Lake County at Vista Medical Center West. Access to inpatient mental health care is important for our community and the lack of psychiatric beds in this community impacts the continuum of care leaving my patients with options that take them out of the community they live in. This impacts the family involvement, access to after care post hospitalization and management of mental health emergencies for our residents in Waukegan.

275 Josselyn Center's clients travel from Lake County to our location in Northern Cook because of the lack of services in Lake County. In the past year, approximately 65 Josselyn Center clients required hospitalization. I anticipate that our number may increase to approximately 75 clients/year for the following two years due to growth of our client base.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

The Josselyn Center thanks you for approving this application as soon as possible.

Sincerely,

Susan C. Lin M.D.
Susan Lin, M.D.
Psychiatrist

Gladys M. Grant
Notary



8/25/2017



Accredited for Outpatient Mental Health
Services for Adults, Children & Adolescents

ATTACHMENT-12H



Child/Adolescent Psychiatry

200 S. Greenleaf St.
Suite A
Gurnee, IL 60031

Phone: 847-244-5660
Fax: 847-244-5669

www.vistaphysiciangroup.com

August 25, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of Need Application

Dear Ms. Avery,

I am Dr. Eun Sun Paik, my office is located in Gurnee, IL. I am supporting the expansion of psychiatric beds in Lake County at Vista Medical Center West. Access to inpatient mental health care is important for our community and the lack of psychiatric beds in this community impacts the continuum of care leaving my patients with options that take them out of the community they live in. This situation compromises family involvement, access to after care post hospitalization and management of mental health emergencies for our residents in Waukegan.

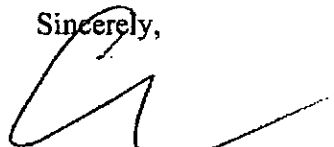
In my practice alone, I have seen approximately 60 patients in the past 12 months. Of the 60 patients, 34 were from zip code 60031, 7 from zip code 60046, and 19 zip code 60085.

I project to see approximately 70 patients annually that will require such services.

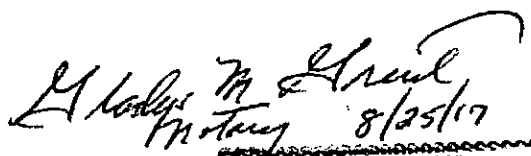
The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

The community of Gurnee, Waukegan, and surrounding area thanks you for approving this application as soon as possible.

Sincerely,



Eun Sun Paik M.D.
Vista Physician Group



"OFFICIAL SEAL"
GLADYS M. GRANT
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 08/04/18

Eun Sun Paik M.D.
200 S. Greenleaf St., Suite A
Gurnee, IL 60031
(847) 244-5660

August 26, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of Need Application

Dear Ms. Avery,

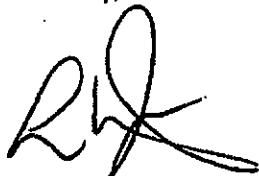
I am a mental health professional at Independence Center located in Waukegan, IL. I am supporting the expansion of psychiatric beds in Lake County at Vista Medical Center West. Access to inpatient mental health care is important for our community and the lack of psychiatric beds in this community impacts the continuum of care leaving our members with options that take them out of the community they live. Not being located in one's community impacts family and support system involvement, access to after care post hospitalization and management of mental health emergencies for our residents in Waukegan.

At our agency, we have had a total of 30 hospitalizations in the last year alone. Of these hospitalizations, persons served were geographically residing from the following zip codes: 25-60085, 2-60099, 2-60064 and 1-person 60031. We have also had several of persons served diverted to hospitals in Chicago.

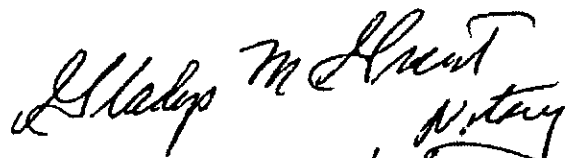
The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

The community of Waukegan thanks you for approving this application as soon as possible.

Sincerely,



Lisa Johnson
Executive Director
Independence Center


8/26/2017
"OFFICIAL SEAL"
GLADYS M. GRANT
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 08/04/18

Intervention Arms Medical Center, LLC



1809 Sheridan Rd
North Chicago, IL 60064
Phone: (847)785-0611
Fax: (847)785-0612

Phone: (847)599-7299
Fax: (224)399-9967

Health empowerment through a holistic approach

August 28, 2017
Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of Need Application

Dear Ms. Avery,

I am Dr. Lisa Fields, PhD, PA-C whom works with Dr James A Joseph, DO and Dr Wilfredo Dacuycuy, MD and is composing the letter of support for the expansion of the psychiatric beds at Vista West of Lake County, Illinois. Our office is located in North Chicago, IL. We are primary care providers in the community. Access to inpatient mental health care is important for our community and the lack of psychiatric beds in this community impacts the continuum of care leaving my patients with options that take them out of the community they live in. This situation compromises family involvement, access to after care post hospitalization and management of mental health emergencies for our residents in Waukegan and surrounding area.

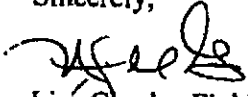
In our practice alone, I have seen approximately 100-150 patients in the past 12 months. Of those 150 patients, approximately 100 were 60064, 50 from 60085 zip codes.

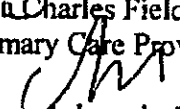
I project to see approximately 150-175 patients annually that will require such services.

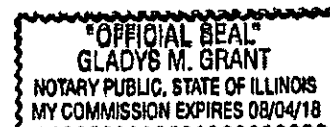
The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

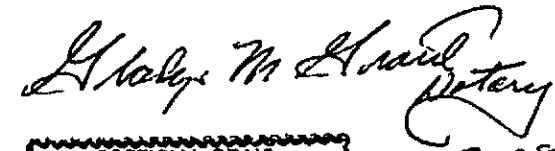
The community of Waukegan thanks you for approving this application as soon as possible.

Sincerely,


Lisa Charles Fields, PhD, PA-C
Primary Care Provider


James A Joseph, DO
Primary Care Physician




8.28.2017

James A Joseph, DO
Laquita Edwards, MS, PA-C

Lisa Charles Fields, PhD, PA-C

Wilfredo Dacuycuy, MD
Ujjvala Nadkarni, MD

.....1809 Sheridan Rd N Chicago, IL, 60064.....
P: 847.785-0611 F: 847.785.0612.....P: 847.599.7299 F: 224.399.9967

ATTACHMENT-12H



20 Tower Court, Suite D
Gurnee, Illinois 60031
Phone: 847.336.6550
Fax: 847.336.6595

2031 E. Grand Avenue
Lindenhurst, Illinois 60046
Phone: 847.265.1277
Fax: 847.265.1255

August 28, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of Need Application

Dear Ms. Avery,

I am Dr. Rashmikant Patel with offices located in Gurnee and Lindenhurst, IL. I am supporting the expansion of psychiatric beds in Lake County at Vista Medical Center West. Access to inpatient mental health care is important for our community and the lack of psychiatric beds in this community impacts the continuum of care leaving my patients with options that take them out of the community they live in. This situation compromises family involvement, access to after care post hospitalization and management of mental health emergencies for our residents in Waukegan and surrounding area.


In our practice alone, I have seen approximately 150 patients in the past 12 months. Of the 150 patients, approximately 85 were 60002, 40 from 60046, and 25 from 60085 zip codes.

I project to see approximately 175 patients annually that will require such services.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.


The community of Waukegan thanks you for approving this application as soon as possible.

Sincerely,

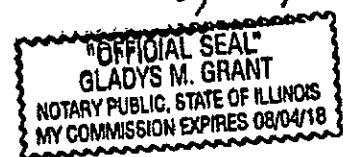


Rashmikant Patel M.D.

Rashmikant Patel
20 Tower Ct. Suite D
Gurnee, IL 60031
(847) 336-6550



Notary
8/28/2017



ATTACHMENT-12H

Thodur Ranganathan , M.D.
Adult Psychiatry
(847) 768-5430

August 29, 2017

Ms. Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, IL 62761

RE: US HealthVest's Certificate of Need Application for Vista Medical Center West

Dear Ms. Avery:

I am writing this letter in support of US HealthVest's Certificate of Need for Vista Medical Center West in Waukegan Illinois.

I am an independently practicing psychiatrist working in two different hospitals in Chicago and Des Plaines. I am very aware of the need for more psychiatric hospital beds in the greater Chicagoland area. I have experienced difficulty finding available beds and have experienced delays for patients in emergency department settings in finding beds for them to be transferred to. Emergency departments in Illinois have seen a great rise in presentation of psychiatric patients but not a corresponding increase in availability of appropriate, accessible care. We need more beds in Illinois as well as a more appropriate distribution of them for better accessibility. For instance, I often treat patients in a northwest suburban hospital where I am on staff. The patients have come from hours away due to having no care in their areas. The north suburban area seems to be one of those weaknesses, so I believe a hospital in Waukegan would be well received and utilized.

My partner and I hospitalize approximately 100 patients per month at the hospital where we are on staff in the northwest suburbs and at least 90 at the hospital where we are on staff in the city. The third hospital does not have psychiatry, but I perform all the consults there. We also maintain a very large base of patients from the northern suburbs where this project is proposed. My partner had built a very large population of patients out of his Des Plaines office, when he was medical director of Forest Hospital, and we still maintain the care those patients. These patients come from Des Plaines (60016), Glenview (60025), Northbrook (60062), Morton Grove (60053), Wilmette (60091), Golf (60029), Mount Prospect (60056), Wheeling (600909), Barrington (60010), Fox Lake (60020) and Highland Park (60035) to name a few. These suburbs are in that catchment for Vista West.

I will be referring to my colleague at Vista Medical Center West should this hospital open. I would easily estimate my referrals to this hospital will be between 70-80 per month on a permanent basis, as our volume remains highly consistent year after year.

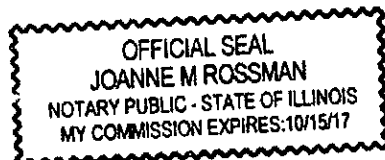
The information that I have included has not been used to support another pending approved CON application for a behavioral hospital

I urge you to support the approval of US HealthVest's application for a psychiatric hospital at Vista Medical Center West. Approval of US HealthVest's application will increase access to these important services

Sincerely,



Thodur Ranganathan, M.D.
Psychiatrist



*Subscribed and sworn to before me
this 29th day of August 2017, in
Cook County, IL*
Joanne M. Rossman

ATTACHMENT-12H



Luis I. Salazar, M.D.

18931 Washington Street, Suite 100
Grayslake, IL 60030-1162

847.548.2200

Fax: 847.548.2865

Hablamos Español

August 29, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of Need Application

Dear Ms. Avery,

I am Dr. Luis Salazar with my office located in Grayslake, IL. I am supporting the expansion of psychiatric beds in Lake County at Vista Medical Center West. Access to inpatient mental health care is important for our community and the lack of psychiatric beds in this community impacts the continuum of care leaving my patients with options that take them out of the community they live in. This situation compromises family involvement, access to after care post hospitalization and management of mental health emergencies for our residents in Waukegan and surrounding area.

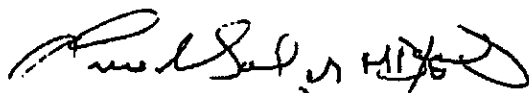
In my practice alone, I have seen approximately 1,200 patients in the past 12 months with psychiatric diagnoses. Of these patients, 100 were 60030, 482 from 60073, and 200 from 60085 zip codes.

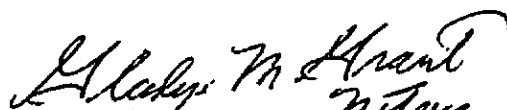

I project to see approximately 36 patients annually that will require such services.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

The community of Waukegan thanks you for approving this application as soon as possible.

Sincerely,


Luis Salazar M.D.


8/29/17


ATTACHMENT-12H



August 29, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of Need Application

Dear Ms. Avery,

I am Dr. Nina Neyman, Physician for Hillcrest Nursing Home at Round lake Beach, IL. I am supporting the expansion of psychiatric beds in Lake County at Vista Medical Center West. Access to inpatient mental health care is important for our community and the lack of psychiatric beds in this community impacts the continuum of care leaving my patients with options that take them out of the community they live in. This situation compromises family involvement, access to after care post hospitalization and management of mental health emergencies for our residents in Waukegan.

At the Nursing Home, I have seen approximately 6 patients in the past 12 months.
The 6 patients were from zip code 60073.

I project to see approximately 10 patients annually that will require such services.

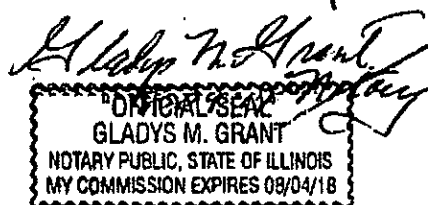
The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

The community of Round Lake Beach, Waukegan, and surrounding area thanks you for approving this application as soon as possible.

Sincerely,

A large, handwritten signature in black ink, appearing to read "Nina Neyman", is written over the "Sincerely," and extends down towards the notary seal.

Nina Neyman M.D.
Hill Crest Nursing Home





Aurora Health Care

3115 Lewis Avenue
Zion IL 60099

August 30, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of Need Application

Dear Ms. Avery,

I am a physician at Aurora Health Care located in Zion, Illinois. I am supporting the expansion of psychiatric beds in Lake County at Vista Medical Center West. Access to inpatient mental health care is important for our community and the lack of psychiatric beds in this community impacts the continuum of care leaving my patients with options that take them out of the community they live in. This impacts the family involvement, access to after care post hospitalization and management of mental health emergencies for our residents in Waukegan.

In my practice alone I estimate the number of patients I will refer annually to the facility within a 24-month period after the hospital is open and accepting patients would be 10-12.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

The community of Waukegan thanks you for approving this application as soon as possible.

Sincerely,

Todd Paxton, DO
Aurora Health Care Zion
847-746-3752

Gladys M. Grant
8.30.17 Notary



ATTACHMENT-12H



Aurora Health Care

3115 Lewis Avenue
Zion, IL 60099

August 30, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of need Application

Dear Ms. Avery,

I am a physician at Aurora Health Care located in Zion, Illinois. I am supporting the expansion of psychiatric beds in Lake County at Vista Medical Center West. Access to Inpatient mental health care is important for our community and the lack of psychiatric beds in this community impacts the continuum of care leaving my patients with options that take them out of the community they live in. This impacts the family involvement, access to after care post hospitalization and management of mental health emergencies for our residents in Waukegan.

In my practice alone I estimate the number of patients I will refer annually to the facility within a 24-month period after the hospital is open and accepting patients would be 12-15.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

The community of Waukegan thanks you for approving this application as soon as possible.

Sincerely,

Dennis E. McCreary, MD
Aurora Health Care Zion
847-746-3752

Gladys M. Grant
8.30.17
Notary
"OFFICIAL SEAL"
GLADYS M. GRANT
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 08/04/18

ATTACHMENT-12H

September 1, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of Need Application

Dear Ms. Avery,

I am Dr. Kenji Oyasu, an Emergency Department physician at three locations in Waukegan and Lindenhurst, IL. I am supporting the expansion of psychiatric beds in Lake County at Vista Medical Center West. Access to inpatient mental health care is important for our community and the lack of psychiatric beds in this community impacts the continuum of care leaving our patients with options that take them out of the community they live in. This situation compromises family involvement, access to after care post hospitalization and management of mental health emergencies for our residents in Waukegan and surrounding area..

In our Emergency Departments, we have seen approximately 70,000 patients in the past 12 months.


We project to see approximately 1500 to 1700 patients annually that will require such services.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

The community of Waukegan thanks you for approving this application as soon as possible.

Sincerely,


Kenji Oyasu
Emergency Department Medical Director
Vista Health System


"OFFICIAL SEAL"
GLADYS M. GRANT
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 08/04/18 9-1-17

ATTACHMENT-12H

September 1, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of Need Application

Dear Ms. Avery,

I am Dr. Josia Henry, a Hospitalist physician at Vista Medical Center East. I am supporting the expansion of psychiatric beds in Lake County at Vista Medical Center West. Access to inpatient mental health care is important for our community and the lack of psychiatric beds in this community impacts the continuum of care leaving our patients with options that take them out of the community they live in. This situation compromises family involvement, access to after care post hospitalization and management of mental health emergencies for our residents in Waukegan and surrounding area..

In our Emergency Departments, we have seen approximately 70,000 patients in the past 12 months.

We project to see approximately 1500 to 1700 patients annually that will require such services.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

The community of Waukegan thanks you for approving this application as soon as possible.

Sincerely,



Josia Henry
Hospitalist Physician
Vista Health System

ATTACHMENT-12H

September 1, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of Need Application

Dear Ms. Avery,

I am Dr. Tony Pallan, a Hospitalist physician at Vista Medical Center East. I am supporting the expansion of psychiatric beds in Lake County at Vista Medical Center West. Access to inpatient mental health care is important for our community and the lack of psychiatric beds in this community impacts the continuum of care leaving our patients with options that take them out of the community they live in. This situation compromises family involvement, access to after care post hospitalization and management of mental health emergencies for our residents in Waukegan and surrounding area..

In our Emergency Departments, we have seen approximately 70,000 patients in the past 12 months.

We project to see approximately 1500 to 1700 patients annually that will require such services.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

The community of Waukegan thanks you for approving this application as soon as possible.

Sincerely,


Tony Pallan
Hospitalist Physician
Vista Health System

ATTACHMENT-12H

September 1, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: Vista Medical Center West Certificate of Need Application

Dear Ms. Avery,

I am Dr. Amber Servatius, a Hospitalist physician at Vista Medical Center East. I am supporting the expansion of psychiatric beds in Lake County at Vista Medical Center West. Access to inpatient mental health care is important for our community and the lack of psychiatric beds in this community impacts the continuum of care leaving our patients with options that take them out of the community they live in. This situation compromises family involvement, access to after care post hospitalization and management of mental health emergencies for our residents in Waukegan and surrounding area..

In our Emergency Departments, we have seen approximately 70,000 patients in the past 12 months.

We project to see approximately 1500 to 1700 patients annually that will require such services.

The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

The community of Waukegan thanks you for approving this application as soon as possible.

Sincerely,



Amber Servatius
Hospitalist Medical Director
Vista Health System

ATTACHMENT-12H



Health Department and
Community Health Center

Mark A. Pfister, MSES, LEHP
Executive Director

3010 Grand Avenue
Waukegan, Illinois 60085
Phone: 847 377 8000

September 12, 2017

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: US HealthVest's Certificate of Need Application

Dear Ms. Avery,

The Lake County Health Department and Community Health Center has the following data on psychiatric hospitalizations of our patients or patients that we screened and were admitted for psychiatric hospitalization:

ADULT Crisis Program

2016: 154 hospitalizations – Zip codes attached

2017 (January-August 5): 170 hospitalizations (291 projected for full year) – Zip codes attached

2019 projection: 441

2020 projection: 498

CHILD AND ADOLESCENT Program

7/1/16 to 6/30/17: 745 hospitalizations – Zip codes attached

2019 projection: 778

2020 projection: 808

ACT Program (adult case management):

August 2016 through July 2017: 37 hospitalizations – Zip codes attached

2019 projection: 37

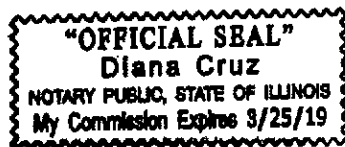
2020 projection: 37 (Note: ACT Team size is fixed and does not change with population growth, so numbers were not increased for the projection)



The information I have included has not been used to support another pending or approved CON application for a behavioral hospital.

Sincerely,

Rhian Morcott, M.D.
Staff Psychiatrist
Lake County Health Department



Adult Crisis Program - hospitalizations by zip code

2016

Zip Code	Number
60002	2
60010	18
60011	2
60030	2
60031	28
60035	5
60040	3
60044	13
60045	6
60046	3
60047	3
60048	1
60060	1
60061	3
60062	1
60073	3
60084	4
60085	41
60087	7
60089	2
60099	6
TOTAL:	154

2017

Zip Code	Number
60002	6
60010	26
60030	2
60031	4
60035	7
60040	1
60044	4
60045	3
60046	2
60047	4
60048	10
60060	4
60064	8
60073	15
60083	1
60084	4
60085	46
60087	13
60089	1
60096	1
60099	8
TOTAL:	170

Child and Adolescent hospitalizations by zip code

7/1/16 to 6/30/17

Residence	Zip Code	# of Hospitalizations
Antioch	60002	26
Barrington	60010	6
Beach Park	60099	14
Bristol, WI (Allendale Grp Home)	53104	3
Buffalo Grove	60089	6
Carpentersville	60110	1
Cary	60013	1
Chicago	60618/60059	2
Crystal Lake	60012	2
Deerfield	60015	4
Evanston	60201	2
Fox Lake	60020	12
Glenview	60025	2
Grayslake	60030	18
Gurnee	60031	32
Hainesville	60030	2
Harvard	60033	1
Highland Park	60035	15
Highwood	66040	8
Hoffman Estates	60067	1
Ingleside	60041	16
Island Lake	60042	9
Joliet	60431	1
Kenosha, WI	53104	2
Kildeer	60042	2
Lake Barrington	60010	2
Lake Bluff	60044	1
Lake Villa	60046	90
Lake Zurich	60047	4
Lakemoor	60050	3
Libertyville	60048	4
Lincolnshire	60069	2
Lindenhurst	60046	9
McHenry	60097	3
Mundelein	60060	40
North Barrington	60010	1
Northbrook	60062	1
North Chicago	60064	49
Oak Park	60301	1
Palentine	60078	1
Park City	60085	10
Prairie View	60089	1

ATTACHMENT-12H

Round Lake Area	60073	77
Spring Grove	60081	3
Twin Lakes, WI	53181	1
Vernon Hills	60061	11
Volo	60050	2
Wadsworth	60083	4
Wauconda	60084	16
Waukegan	60085	165
Wheeling	60090	1
Wildwood	60030	1
Winthrop Harbor	60096	4
Woodstock	60098	2
Zion	60099	48
TOTAL		745

ACT Adult case management - hospitalizations by zip code

August 2016 through July 2017

Zip	Number
60085	16
60099	4
60031	4
60044	2
60083	2
60030	5
60002	1
60076	3
TOTAL	37

(Includes both WCD ACT and Grayslake ACT)

Ownership, Management and General Information		Patients by Race		Patients by Ethnicity	
ADMINISTRATOR NAME:	Barbara Martin	White	70.6%	Hispanic or Latino:	10.6%
ADMINISTRATOR PHONE:	847-380-3000	Black	25.8%	Not Hispanic or Latino:	80.2%
OWNERSHIP:	COMMUNITY HEALTH SYSTEM	American Indian	0.2%	Unknown:	2.9%
OPERATOR:	COMMUNITY HEALTH SYSTEM	Asian	1.4%		
MANAGEMENT:	For Profit Corporation	Hawaiian/ Pacific	0.2%	IDPH Number:	5405
CERTIFICATION:	(Not Answered)	Unknown	1.6%	HFA	A-09
FACILITY DESIGNATION:	Psychiatric Hospital			HSA	8
ADDRESS:	2015 West Washington	CITY: Waukegan	COUNTY: Lake County		

Facility Utilization Data by Category of Service										
Clinical Service	Authorized CON Beds 12/31/2015	Peak Beds Setup and Staffed	Peak Census	Admissions	Inpatient Days	Observation Days	Average Length of Stay	Average Daily Census	CON Occupancy Rate %	Staffed Bed Occupancy Rate %
Medical/Surgical	0	0	0	0	0	0	0.0	0.0	0.0	0.0
0-14 Years				0	0					
15-44 Years				0	0					
45-64 Years				0	0					
65-74 Years				0	0					
75 Years +				0	0					
Pediatric	0	0	0	0	0	0	0.0	0.0	8.0	8.0
Intensive Care	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Direct Admission				0	0					
Transfers				0	0					
Obstetric/Gynecology	0	0	0	0	0	0	8.0	0.0	0.0	0.0
Maternity				0	0					
Obst. Gynecology				0	0					
Neonatal	8	0	0	0	0	0	0.0	0.0	8.8	0.0
Long Term Care	0	0	0	0	0	0	0.8	0.0	0.0	0.0
Burn Beds				0	8	8	0.0	8.0		
Acute Mental Illness	46	42	38	1,450	8,049	0	9.2	24.6	53.3	58.4
Rehabilitation	25	25	17	260	3,470	0	15.4	9.5	38.1	38.1
Long-Term Acute Care	0	0	0	0	8	0	0.0	0.0	0.8	0.0
Dedicated Observation	0									
Facility Utilization	71			1,710	12,422	8	7.3	34.8	47.0	

(Includes ICU Direct Admissions Only)

Inpatients and Outpatients Served by Payer Source							
	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Charity Care	Totals
Inpatients	24.0%	51.1%	1.2%	22.6%	1.0%	0.2%	1,718
	411	875	21	506	17	3	
Outpatients	8.4%	68.3%	1.0%	18.2%	7.5%	8.6%	12,028
	1008	7980	118	1947	901	76	

Financial Year Results: 11/2015 to 12/31/2016 Inpatient and Outpatient Net Revenue by Payer Source							
	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Charity Care	Totals
Inpatient Revenue (\$)	36.7%	12.6%	-0.2%	45.7%	5.1%	100.0%	28,074,732
	9,708,292	3,365,029	-42,210	12,195,858	1,356,785	11,072	
Outpatient Revenue (\$)	10.2%	-2.2%	27.2%	2.6%	82.2%	100.0%	7,280,110
	742,855	-157,371	1,978,150	105,243	4,530,232	98,271	

Birth Data				Newborn Nursery Utilization				Organ Transplantation	
	Level I	Level II	Level III						
Number of Total Births:	0							Kidney:	0
Number of Live Births:	0	Beds	0	0	0	0	0	Heart:	8
Birth Rooms:	0	Patient Days	0	0	0	0	0	Lung:	0
Labor Rooms:	0	Total Newborn Patient Days	0	0	0	0	0	Heart/Lung:	8
Delivery Rooms:	0							Pancreas:	0
Labor-Delivery-Recovery Rooms:	0							Liver:	0
Labor-Delivery-Recovery-Postpartum Rooms:	0	Inpatient Studies	17,444					Total:	8
C-Section Rooms:	0	Outpatient Studies	31,821						
C-Sections Performed:	0	Studies Performed Under Contract	0						

Surgical Specialty		Operating Rooms				Surgical Cases				Surgical Hours		Hours per Case	
		Inpatient	Outpatient	Combined	Total	Inpatient	Outpatient	Inpatient	Outpatient	Total Hours		Inpatient	Outpatient
Cardiovascular		0	0	0	0	0	0	0	0	0		0.0	0.0
Dermatology		0	0	0	0	0	0	0	0	0		0.0	0.0
General		0	0	0	0	0	0	0	0	0		0.0	0.0
Gastroenterology		0	0	0	0	0	0	0	0	0		0.0	0.0
Neurology		0	0	0	0	0	0	0	0	0		0.0	0.0
OB/Gynecology		0	0	0	0	0	0	0	0	0		0.0	0.0
Oral/Maxillofacial		0	0	0	0	0	0	0	0	0		0.0	0.0
Ophthalmology		0	0	0	0	0	0	0	0	0		0.0	0.0
Orthopedic		0	0	0	0	0	0	0	0	0		0.0	0.0
Otolaryngology		0	0	0	0	0	0	0	0	0		0.0	0.0
Plastic Surgery		0	0	0	0	0	0	0	0	0		0.8	0.0
Podiatry		0	0	0	0	0	0	0	0	0		0.0	0.0
Thoracic		0	0	0	0	0	0	0	0	0		0.0	0.0
Urology		8	0	0	8	8	0	0	0	8		0.0	0.0
Totals		8	8	0	8	8	0	8	0	8		8.0	0.0

SURGICAL RECOVERY STATIONS		Stage 1 Recovery Stations	Stage 2 Recovery Stations
		0	0

Procedure Type		Dedicated and Non-Dedicated Procedure Room Utilization				Surgical Cases				Surgical Hours		Hours per Case	
		Inpatient	Outpatient	Combined	Total	Inpatient	Outpatient	Inpatient	Outpatient	Total Hours		Inpatient	Outpatient
Gastrointestinal		0	0	0	0	0	0	0	0	0		0.0	0.0
Lower Eye Procedures		0	0	0	0	0	0	0	0	0		0.0	0.0
Pain Management		0	0	0	0	0	0	0	0	0		0.0	0.0
Cystoscopy		0	0	0	0	0	0	0	0	0		0.0	0.0
Multicourse Non-Dedicated Rooms													
		8	8	0	0	0	0	8	0	0		8.8	0.0
		8	0	0	0	0	0	0	0	0		8.0	0.0
		0	0	0	0	0	0	0	0	8		0.0	8.8

Emergency/Trauma Care			Cardiac Catheterization Labs		
Certified Trauma Center	No		Total Cath Labs (Dedicated+NonDedicated Labs):	8	
Level of Trauma Service	Level 1	Level 2	Cath Labs used for Angiography procedures:	8	
	(Not Answered)	Not Answered	Dedicated Diagnostic Catheterization Lab	0	
Operating Rooms Dedicated for Trauma Care	0		Dedicated Interventional Catheterization Labs	0	
Number of Trauma Visits:	0		Dedicated EP Catheterization Labs	0	
Patients Admitted from Trauma	0				
Emergency Services Type:	Comprehensive		Cardiac Catheterization Utilization		
Number of Emergency Room Stations	11		Total Cardiac Cath Procedures:	8	
Persons Treated by Emergency Services:	11,787		Diagnostic Catheterizations (0-14):	0	
Patients Admitted from Emergency:	799		Diagnostic Catheterizations (15+):	0	
Total ED Visits (Emergency+Trauma):	11,787		Interventional Catheterizations (0-14):	0	
			Interventional Catheterizations (15+):	0	
			EP Catheterizations (15+):	8	
Free-Standing Emergency Center			Cardiac Surgery Data		
Beds in Free-Standing Centers	8		Total Cardiac Surgery Cases:	8	
Patient Visits in Free-Standing Centers	8		Pediatric (0 - 14 Years):	8	
Hospital Admissions from Free-Standing Center	0		Adult (15 Years and Older):	8	
Outpatient Service Data			Coronary Artery Bypass Grafts (CABGs) performed of total Cardiac Cases:	0	
Total Outpatient Visits	11,952				
Outpatient Visits at the Hospital Campus:	11,952				
Outpatient Visits Offsite/Off campus:	0				

Diagnostic/Interventional Equipment		Examinations		Therapeutic Equipment		Therapeutic Treatments	
		Owned	Contract	Owned	Contract	Owned	Contract
General Radiography/Fluoroscopy		2	0	185	3,147	0	0
Nuclear Medicine		0	8	0	0	0	0
Mammography		0	0	8	0	0	0
Ultrasound		1	0	13	428	0	0
Angiography		0	0	0	0	0	0
Diagnostic Angiography		0	0	0	0	0	0
Interventional Angiography		0	0	0	0	0	0
Positron Emission Tomography (PET)		0	0	0	0	0	0
Computerized Axial Tomography (CAT)		1	0	54	1,837	0	0
Magnetic Resonance Imaging		0	8	0	0	0	0

Source: 2015 Annual Hospital Questionnaire, Illinois Department of Public Health, Health Systems Development.

Community Management and General Information		Patients by Race		Patients by Ethnicity	
ADMINISTRATOR NAME:	Gerald P. Gallagher	White	71.2%	Hispanic or Latino:	0.0%
ADMINISTRATOR PHONE:	847-670-5151	Black	5.1%	Not Hispanic or Latino:	91.1%
OWNER/SHIP:	NorthShore University HealthSystem	American Indian	0.2%	Unknown:	0.0%
OPERATOR:	NorthShore University HealthSystem	Asian	4.6%		
MANAGEMENT:	Not for Profit Corporation (Not Church-R)	Hawaiian/ Pacific	0.0%	IDPH Number:	5006
CERTIFICATION:	(Not Answered)	Unknown	16.6%	HPA	A-09
FACILITY DESIGNATION:	General Hospital			HSVA	B
ADDRESS	777 Park Avenue West	CITY:	Highland Park	COUNTY:	Lake County

Facility Utilization Data by Category of Service										
Clinical Service	Authorized CON Beds 12/31/2018	Peak Beds Setup and Staffed	Peak Census	Admissions	Inpatient Days	Observation Days	Average Length of Stay	Average Daily Costs	CON Occupancy Rate %	Staffed Bed Occupancy Rate %
Medical/Surgical	93	93	93	4,509	20,802	5,871	5.9	73.1	78.8	78.8
0-14 Years				0	0					
15-44 Years				1,423	5,268					
45-64 Years				800	3,951					
65-74 Years				718	3,031					
75 Years +				1,468	7,804					
Pediatric	0	0	0	286	317	245	2.0	1.5	25.7	25.7
Intensive Care	12	12	12	1,284	3,383	33	2.8	9.3	77.5	77.5
Direct Admission				924	2,420					
Transfers				360	963					
Obstetrics/Gynecology	15	15	15	1,306	2,908	708	2.8	10.1	87.1	87.1
Maternity				1,274	2,893					
Clear Gynecology				32	73					
Neonatal	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Long Term Care	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Swing Beds			0	0	0		0.0	0.0		
Acute Mental Illness	13	12	12	844	3,353	0	5.2	0.2	70.7	78.8
Rehabilitation	0	0	0	0	0	9	0.0	0.0	0.0	0.0
Long-Term Acute Care	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Dedicated Observation	0					0				
Facility Utilization	139			7,659	30,801	6,555	4.9	103.2	74.2	

(Includes ICU Direct Admissions Only)

Inpatients and Outpatients Served by Payer Source							
	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Charity Care	Totals
Inpatients	35.3%	9.1%	0.0%	47.6%	1.4%	8.6%	
	2705	896	0	3064	106	506	7,880
Outpatients	34.0%	6.5%	0.0%	57.6%	1.8%	1.1%	
	82001	13404	0	141075	3858	2625	243,853

Financial Year Period:	10/1/2014 to	9/30/2015	Inpatient and Outpatient Net Revenue by Payer Source						Total Charity Care Expense	Total Charity Care as % of Net Revenue
	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Totals	Charity Care Expense			
Inpatient Revenue (\$)	38.6%	4.9%	0.8%	54.3%	1.3%	100.0%				
	33,518,231	4,141,054	0	46,020,428	1,061,779	84,762,391	411,849			
Outpatient Revenue (\$)	23.0%	2.3%	0.0%	71.2%	3.5%	100.0%				
	37,388,933	3,760,475	0	115,709,430	5,031,084	162,530,522	1,890,750			

ATTACHMENT	Births Data		Newborn Nursery Utilization			Organ Transplantation	
			Level I	Level II	Level III +		
	Number of Total Births:	1,305				Kidney:	0
	Number of Live Births:	1,295	Beds	20	6	Heart:	0
	Birthing Rooms:	0	Patient Days	3,065	101	Lung:	0
	Labor Rooms:	0	Total Newborn Patient Days		5,106	Heart/Lung:	0
	Delivery Rooms:	0				Pancreas:	0
	Labor-Delivery-Recovery Rooms:	0				Liver:	0
	Labor-Delivery-Recovery-Postpartum Rooms:	15	Inpatient Studies		239,893	Trans:	0
	C-Section Rooms:	2	Outpatient Studies		226,442		
	C-Sections Performed:	362	Studies Performed Under Contract		14,423		

Surgical Specialty		Operating Rooms				Surgical Cases				Surgical Hours				Hours per Case	
Impatient	Outpatient	Combined	Total	Impatient	Outpatient	Impatient	Outpatient	Total Hours	Impatient	Outpatient	Combined	Total	Impatient	Outpatient	
Cardiovascular	0	0	1	237	64	1403	129	1532	6.9	2.6					
Dermatology	0	0	0	0	1	0	1	1	0.0	1.0					
General	0	1	1	368	1999	775	1769	2544	2.1	1.3					
Gastroenterology	0	0	0	0	112	0	78	78	0.0	0.7					
Neurology	0	0	0	77	72	162	111	293	2.4	1.5					
OB/GYN	0	0	1	66	877	166	1068	1276	2.2	1.2					
Oral/Maxillofacial	0	0	0	13	25	75	52	127	5.8	2.1					
Ophthalmology	0	1	0	1	2076	1	1800	1801	1.0	0.0					
Orthopedic	0	0	2	367	453	670	823	1493	2.4	1.4					
Otolaryngology	0	0	1	0	646	0	756	761	1.0	1.2					
Plastic Surgery	0	0	0	25	886	88	1751	1839	3.5	2.0					
Podiatry	0	0	0	17	74	17	94	111	1.0	1.3					
Thoracic	0	0	0	75	13	151	17	166	2.2	1.3					
Urology	0	0	1	212	768	374	506	960	1.8	0.8					
Totals	0	3	11	1477	7467	4136	8854	12894	2.8	1.2					

SURGICAL RECOVERY STATIONS		Stage 1 Recovery Stations		Stage 2 Recovery Stations	
Impatient	Outpatient	Impatient	Outpatient	Impatient	Outpatient
0	0	0	0	0	0

SURGICAL RECOVERY STATIONS						Stage 1 Recovery Stations		13	Stage 2 Recovery Stations		0
Dedicated and Non-Dedicated Procedure Room Utilization											
Procedure Type	Procedure Rooms				Surgical Cases		Surgical Hours			Hours per Case	
	Inpatient	Outpatient	Combined	Total	Inpatient	Outpatient	Inpatient	Outpatient	Total Hours	Inpatient	Outpatient
Gastrointestinal	0	b	8	8	570	9448	885	14172	15027	1.5	1.5
Laser Eye Procedures	b	b	0	b	b	b	b	0	0	0.0	8.6
Pain Management	9	b	1	1	28	123	43	185	228	1.5	1.5
Cystoscopy	8	b	0	b	b	0	0	0	0	0.0	0.6
Multicourse Non-Dedicated Rooms											
	0	0	0	0	b	0	0	b	0	b.0	0.0
	0	0	b	0	0	0	b	0	0	0.0	b.0
	0	0	0	9	b	0	8	b	0	0.0	b.0

<u>Emergency/Trauma Care</u>		<u>Cardiac Catheterization Labs</u>	
Certified Trauma Center Level of Trauma Service	Yan Level 2 Adult	Total Cath Labs (Dedicated+Non-dedicated Labs): Cath Labs used for Angiography procedures Dedicated Diagnostic Catheterization Lab Dedicated Interventional Catheterization Lab Dedicated EP Catheterization Labs	2 0 0 0 1
(Not Answered)			
Operating Rooms Dedicated for Trauma Care	5		
Number of Trauma Visits:	568		
Patients Admitted from Trauma	594		
Emergency Service Type:	Comprehensive		
Number of Emergency Room Stations	15		
Persons Treated by Emergency Services:	28,058	Total Cardiac Cath Procedures:	1,144
Patients Admitted from Emergency:	4,663	Diagnostic Catheterizations (0-14)	0
Total ED Visits (Emergency+Trauma):	28,858	Diagnostic Catheterizations (15+)	837
		Interventional Catheterizations (0-14)	0
		Interventional Catheterization (15+)	268
		EP Catheterizations (15+)	235
<u>Free-Standing Emergency Center</u>		<u>Cardiac Surgery Data</u>	
Beds in Free-Standing Center	0	Total Cardiac Surgery Cases:	178
Patient Visits in Free-Standing Center	0	Pediatric (0 - 14 years):	0
Hospital Admissions from Free-Standing Center	9	Adult (15 Years and Older):	178
		Coronary Artery Bypass Grafts (CABGs) performed of total Cardiac Cases :	106
<u>Outpatient Service Data</u>			
Total Outpatient Visits	219,631		
Outpatient Visits at the Hospital Campus:	219,631		
Outpatient Visits Offsite/off campus	0		

Diagnostic/Interventional Equipment	Examinations				Therapeutic Equipment			
	Owned	Contract	Impaired	Outfit	Contract	Owned	Contract	Therapeutic Treatments
General Radiography/Fluoroscopy	3	b	9,663	19,358	b	Lithotripsy	0	0
Nuclear Medicine	3	0	293	6,089	b	Linear Accelerator	1	8
Mammography	3	0	9	19,011	b	Image Guided Rad Therapy		b,424
Ultrasound	3	b	1,910	10,650	0	Intensity Modulated Rad Therapy		1,584
Angiography	1	0				High Dose Brachytherapy	9	9
Diagnostic Angiography			38	18	0	Proton Beam Therapy	b	0
Interventional Angiography			14	7	0	Gamma Knife	b	0
Positron Emission Tomography (PET)	1	0	12	967	0	Cyber Knife	b	0
Computerized Axial Tomography (CAT)	2	b	5,672	10,174	0			8
Magnetic Resonance Imaging	1	0	992	5,207	b			

Source: 2015 Annual Hospital Questionnaire, Illinois Department of Public Health, Health Systems Development

[illegible]

Source: 2015 Annual Hospital Questionnaire, Illinois Department of Public Health, Health Systems Development

[illegible]

Ownership, Management and General Information		Patients by Race		Patients by Ethnicity	
ADMINISTRATOR NAME:	Rick Floyd	White	72.0%	Hispanic or Latino:	6.9%
ADMINISTRATOR PHONE:	847-723-8446	Black	3.0%	Not Hispanic or Latino:	86.0%
OWNERSHIP:	Advocate Health And Hospitals Corp.	American Indian	2.8%	Unknown:	4.2%
OPERATOR:	Advocate Health And Hospitals Corp.	Asian	8.2%		
MANAGEMENT:	Church-Related	Hawaiian/ Pacific	0.3%	IDPH Number:	4796
CERTIFICATION:	(Not Answered)	Unknown	13.7%	HSA	A-07
FACILITY DESIGNATION:	General Hospital			HSA	7
ADDRESS	1775 Dempster Street	CITY: Park Ridge	COUNTY: Suburban Cook County		

Facility Utilization Data by Category of Service											
Clinical Service	Authorized COT Beds 12/31/2015	Peak Beds Setup and Staffed	Peak Census	Admissions	Inpatient Days	Observation Days	Average Length of Stay	Average Daily Census	COD Occupancy Rate %	Staffed Bed Occupancy Rate %	
Medical/Surgical	313	309	295	15,566	79,789	9,588	5.4	244.9	78.2	70.2	
0-14 Years				0	0						
15-44 Years				2,377	11,018						
45-64 Years				4,971	23,650						
65-74 Years				3,268	16,303						
75 Years +				5,050	28,800						
Pediatric	46	46	46	1,904	8,070	1,465	4.9	26.2	54.6	64.6	
Intensive Care	81	81	80	5,308	13,936	312	2.7	39.0	84.0	84.0	
Direct Admission				3,455	9,072						
Transfers				1,853	4,864						
Obstetric/Gynecology	62	58	44	4,487	12,232	184	2.8	34.0	54.0	58.6	
Maternity				4,303	11,712						
Clean Gynecology				184	520						
Neonatal	54	56	56	444	15,177	0	34.2	41.8	77.0	74.3	
Long Term Care	9	0	0	0	0	0	0.9	9.9	0.0	0.0	
Swing Beds			0	0	0		0.0	0.0			
Acute Mental Illness	55	50	43	1,207	19,825	8	8.8	20.1	52.0	58.2	
Rehabilitation	45	45	44	900	13,048	0	13.3	35.7	79.4	70.4	
Long-Term Acute Care	9	0	0	0	0	0	0.9	0.9	0.0	0.0	
Dedicated Observation	0										
Facility Utilization	638			29,103	152,886	11,580	6.7	450.5	70.8		

(Includes ICU Direct Admissions Only)

Inpatients and Outpatients by Payer Source							
	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Charity Care	Totals
Inpatients	39.2%	20.6%	0.2%	37.9%	6.4%	1.7%	
	11,995	6,000	67	11,033	108	503	29,103
Outpatients	29.4%	18.8%	0.2%	50.9%	0.8%	1.2%	
	91,389	59,644	530	183,447	2,436	3,853	321,299
Inpatient and Outpatient Net Revenue by Payer Source							
	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Charity Care	Totals
Inpatient Revenue (\$)	34.3%	13.6%	0.1%	51.2%	0.8%	100.0%	
	171,675,338	86,011,118	502,894	258,387,490	4,078,413	500,855,261	6,876,000
Outpatient Revenue (\$)	18.4%	4.9%	0.1%	78.0%	6.7%	100.0%	
	48,147,604	12,211,549	168,155	191,087,738	1,806,005	251,421,111	4,004,000

Birth Data				Newborn Nursery Utilization				Organ Transplantation			
Number of Total Births:	4,250			Level I	Level II	Level III		Kidney:			0
Number of Live Births:	4,216			Beds	56	56	0	Heart:			0
Birth Rooms:	0			Patient Days	7,124	1,222	9	Lung:			0
Labor Rooms:	2			Total Newborn Patient Days			8,346	Heart/Lung:			0
Delivery Rooms:	0							Pancreas:			0
Labor-Delivery-Recovery Rooms:	15							Liver:			0
Labor-Delivery-Recovery-Postpartum Rooms:	0			Inpatient Studies			791,685	Total:			9
C-Section Rooms:	3			Outpatient Studies			289,170				
C-Sections Performed:	1,378			Studies Performed Under Contract			9				

Surgical Specialty											
Operating Rooms				Surgical Cases				Surgical Hours			
Inpatient	Outpatient	Combined	Total	Inpatient	Outpatient	Inpatient	Outpatient	Total Hours	Inpatient	Outpatient	
Cardiovascular	1	0	0	1	302	137	2002	370	2402	5.8	2.7
Dermatology	0	0	0	0	0	0	0	0	0	0.0	0.0
General	1	7	10	18	1653	3587	5174	6424	11596	3.1	1.8
Gastroenterology	0	0	0	0	38	238	61	258	310	1.4	1.1
Neurology	0	0	2	2	371	75	1174	190	1364	3.2	2.5
OB/Gynecology	9	0	0	0	331	1928	1063	3815	4878	3.2	2.0
Oral/Maxillofacial	0	0	0	0	28	29	74	65	139	2.6	2.2
Ophthalmology	9	0	0	0	24	950	65	1078	2043	2.7	2.1
Orthopedic	0	9	2	2	3203	1424	9058	2878	11034	2.8	2.0
Otolaryngology	0	0	0	0	184	1324	348	2109	2515	2.1	1.8
Plastic Surgery	0	9	0	0	138	783	689	1777	2468	5.0	2.3
Podiatry	0	9	0	0	33	322	66	694	750	1.7	2.2
Thoracic	0	0	0	0	178	22	402	23	425	2.3	1.0
Urology	0	0	1	1	373	1331	886	1842	2808	2.6	1.4
Totals	2	7	16	24	6603	12128	21180	23482	43632	3.1	1.9

SURGICAL RECOVERY STATIONS				Stage 1 Recovery Stations		26		Stage 2 Recovery Stations		46	
Dedicated and Non-Dedicated Procedure Room Utilization											
Procedure Type	Procedure Rooms				Surgical Cases		Surgical Hours			Hours per Case	
	Inpatient	Outpatient	Combined	Total	Inpatient	Outpatient	Inpatient	Outpatient	Total Hours	Inpatient	Outpatient
Gastrointestinal	2	0	2	8	1605	10448	1284	8355	9643	0.8	0.8
Laser Eye Procedures	0	0	0	0	0	0	0	0	0	0.0	0.0
Pain Management	0	1	0	1	0	3019	9	755	755	0.0	0.3
Cystoscopy	0	0	0	0	0	0	0	0	0	0.0	0.0
Multicourse Non-Dedicated Rooms											
	0	0	0	0	0	0	0	0	0	0.0	0.0
	0	0	0	0	0	0	0	0	0	0.0	0.0
	0	0	0	0	0	0	0	0	0	0.0	0.0

Emergency/Trauma Care				Cardiac Catheterization Labs			
Certified Trauma Center	Yes			Total Cath Labs (Dedicated-NonDedicated Labs)			8
Level of Trauma Service	Level 1	Level 2		Cath Labs used for Angiography procedures			9
	Adult	Not Answered		Dedicated Diagnostic Catheterization Lab			0
Operating Rooms Dedicated for Trauma Care			1	Dedicated Interventional Catheterization Labs			0
Number of Trauma Visits:			1,104	Dedicated EP Catheterization Labs			1
Patients Admitted from Trauma			1,071	Cardiac Catheterization Utilization			
Emergency Service Type:		Comprehensive		Total Cardiac Cath Procedures:			2,885
Number of Emergency Room Stations		43		Diagnostic Catheterizations (0-14)			58
Persons Treated by Emergency Services:		66,047		Diagnostic Catheterizations (15+)			370
Patients Admitted from Emergency:		14,688		Interventional Catheterizations (0-14)			35
Total ED Visits (Emergency+Trauma):		67,161		Interventional Catheterizations (15+)			1,607
Free-Standing Emergency Center				EP Catheterizations (15+)			397
Beds in Free-Standing Centers		0		Cardiac Surgery Data			
Patient Visits in Free-Standing Centers		0		Total Cardiac Surgery Cases:			211
Hospital Admissions from Free-Standing Center		0		Pediatric (0 - 14 Years):			4
Outpatient Service Data				Adult (15 Years and Older):			207
Total Outpatient Visits		321,299		Coronary Artery Bypass Grafts (CABGs)			
Outpatient Visits at the Hospital Campus:		321,299		performed of Total Cardiac Cases:			157
Outpatient Visits Offsite/off campus:		0					

Diagnostic/Interventional Equipment				Examinations				Therapeutic Equipment				Therapies/Interventions	
	Owned	Contract		Inpatient	Outpatient	Contract		Owned	Contract				
General Radiography/Fluoroscopy	32	0	44,219	51,619	0			Lithotripsy	0	1		753	
Nuclear Medicine	7	0	1,486	3,851	0			Linear Accelerator	3	0		6,380	
Mammography	7	0	0	29,121	0			Image Guided Rad Therapy				308	
Ultrasound	11	0	4,389	21,594	0			Intensity Modulated Rad Therapy				3,089	
Angiography	2	9						High Dose Brachytherapy	1	0		148	
Diagnostic Angiography			3,596	2,450	0			Proton Beam Therapy	0	0		0	
Interventional Angiography			1,714	1,157	0			Gamma Knife	0	0		0	
Positron Emission Tomography (PET)	1	0	0	517	0			Cyber Knife	0	1		664	
Computerized Axial Tomography (CAT)	5	0	17,153	24,653	0								
Magnetic Resonance Imaging	5	0	6,281	14,478	0								

Source: 2015 Annual Hospital Questionnaire, Illinois Department of Public Health, Health Systems Development.



February 8, 2016

Ms. Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

RE: US HealthVest's Certificate of Need Application for Northbrook Behavioral Hospital

Dear Ms. Avery,

I am the CEO of Chicago Behavioral Hospital in Des Plaines, Illinois and I am writing this letter in support of US HealthVest's Certificate of Need application for a behavioral hospital in Northbrook. US HealthVest acquired Chicago Behavioral Hospital ("CBH") on November 3, 2014 from Maryville Academy. Due to renovations that were in process prior to the acquisition, only 78 of the 125 licensed beds were available for use. We expanded services to adults and senior adults and grew from a census in the single digits at the time of the acquisition to full capacity (80%+) in under a year.

In 2015, we deflected 672 patients referred to our hospital in 2015 because we did not have a bed available. While we it is difficult to track where these deflected patients have gone for care, we understand that many have either gone without care or have experienced significant wait times and have had to travel great distances for care. Professional referral sources often verbalize having difficulty with placement because "everyone is full". It has not been unusual for them to note that they have had significant delays finding alternate beds for patients because other hospitals in the area run full. In 2016, we gained access to our newly renovated units and once again see rapid bed occupancy.

Of the 672 deflected patients, 111 patients were from planning areas A-08 and A-09 or zip codes 60016, 60026, 60010, 60030, 60035, 60045, 60046, 60048, 60061, 60085, 60076, 60202 and 60645.

The distribution of beds clearly slights the northern suburbs. Having a relationship with over 50 emergency departments, we know from nurses, crisis workers and physicians in these settings that patients have had to wait long periods in emergency rooms in order to access care. This is something that common and routine problem in many parts of Illinois.

Today, area hospitals that are within a 45 minute drive from CBH and similarly to the Northbrook project, continue to send a significant number of referrals due to their own psychiatric units being full, not treating particular types of patients or not having inpatient psychiatric care. In looking at data from the last ten months since starting adult services, some examples of the numbers of these referrals come from: Evanston Northshore Hospital (52), Advocate Good Shepherd (91), Northwest Community (92), Linden Oaks (82), Community First Hospital (60), Condell Medical Center (32), Northwestern Medicine Central DuPage Hospital (52), Alexian Brothers Behavioral Health Hospital (39), Advocate Lutheran General (115) and Palos Community Hospital (44). The total of referrals coming from hospitals only within 45 minutes travel has been 1,099 for this past ten month period.

MENTAL HEALTH & CHEMICAL DEPENDENCY
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WWW.CHICAGOBEH.COM

ATTACHMENT-12J



Our occupancy at CBH has grown to 87%, 86%, 84%, and 81% in September, October, November and December of 2015 respectively, without the aforementioned plans to increase marketing, and we expect even greater growth this spring. Chicago Behavioral Hospital would also need to deflect patients to a Northbrook Hospital. Our growth projections conservatively reach 84% in April and 90% in May of 2016. We expect our growth trajectory to continue beyond our 125 beds at CBH by the mid 2016 and that we will again have the dilemma of deflecting patients due to bed availability. This would be well before the Northbrook facility could conceivably be opened.

With all of the deflections, marketing efforts, new lines of service development and practices that we are attracting, we are projecting significant referrals to Northbrook Behavioral Hospital from CBH. We believe with our experience of 15% deflections from the Northbrook catchment area Zip Codes, as well as our deflections from other underserved geographies, that CBH alone will refer a total of 48-50 patients per month to Northbrook which will be from 576 to 600 annually. We do not see this need reducing and believe it will be very consistent throughout the years to come.

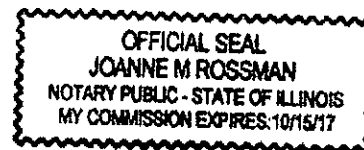
The information I've included here has not been used to support any other pending or approved CON application for a behavioral health hospital.

I urge you to support the approval of US HealthVest's application for Northbrook Behavioral Hospital. Approval of US HealthVest's application will increase access to these important services in the north suburban areas of Illinois.

Sincerely,

Anthony DeJoseph
Anthony DeJoseph, Psy.D.
CEO
Chicago Behavioral Hospital

*Subscribed and sworn before
me this 18th day of February
2016
Joanne M. Rossman*



Program Descriptions

Adult Psychiatric

The adult program offers treatment for adults who have moderate to severe psychiatric and behavioral problems. Our programs are tailored to the patient's needs enabling them to more effectively cope with their emotions and behaviors. The program purpose is to promote the maximum cognitive, social, physical, behavioral, and emotional development in each of our patients. Methods of treatment include medication management, group and individual therapy and discharge planning.

Senior Adult

Older adults often have unique and complex needs and experience physical and lifestyle changes that can negatively impact their emotional wellbeing. Psychiatric and behavioral concerns, combined with medical issues, complicate the diagnosis, care and treatment of seniors. Age-sensitive treatment and discharge planning is provided to assist our patients to achieve or regain the highest level of independence possible and help preserve their quality of life.

Children and Adolescents

Young people may experience symptoms of mental illness or encounter situations that they respond with behaviors that are a danger to themselves or others. Youth programs are evidence-based and specifically designed to help children/adolescents and their families through difficult circumstances or issues using intensive evaluation, treatment and aftercare planning with a professional multidisciplinary team treatment approach. Treatment includes group, individual, and family therapy.

Women Only

The Women's program addresses the unique mental health and chemical dependency needs of women in crisis through evidence-based therapeutic approaches. The program addresses such issues as trauma, depression related to reproductive issues, loss of pregnancy, post-partum depression, anxiety and obsessive disorders, relationship issues, eating disorders, and other serious disorders women may encounter. Only women attend the specialized therapy and educational groups. This gender specific approach enhances the effectiveness of therapy by providing a safe environment to process sensitive issues.

Extra Mile Veteran Care

Our Extra Mile Veteran Care Program provides treatment for PTSD, substance dependence and mental health issues, such as depression and anxiety in an environment designed with the veteran in mind. We understand teamwork and veterans. Our specially trained therapists and technicians will work together with veterans to help them overcome barriers and restore balance to their lives.

Faith Based Mental Health

Our proposed Faith Based specialty program provides unique inpatient and outpatient care where patients can include personal religious beliefs and their faith in God throughout the treatment process. The program merges sound professional counseling with Biblical principles to provide a

Christian atmosphere for recovery from serious mental health and chemical dependency problems.

Dual-diagnosis

Our dual-diagnosis program is an integrated therapy program that focuses on adults who face multiple mental health disorders or a combination of mental illness and drug or alcohol dependency, also known as co-occurring disorders. Patients receive motivational enhancement therapy, cognitive behavioral therapy, and 12-step facilitation therapy. The program allows patients to recognize and manage the issues related to their mental illness and chemical dependency problems.

**SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND
ALTERNATIVES – INFORMATION REQUIREMENTS** Continued x

ALTERNATIVES

1. Identify ALL of the alternatives to the proposed project:

The primary purposes of the proposed project are (1) to increase the access of area residents to the acute mental illness inpatient services; (2) to optimize the utilization of an existing healthcare facility that is underperforming; and (3) to bypass the zoning issues and thereby fulfill the commitment this Applicant made when seeking approval to establish a 100 bed facility in Northbrook, Illinois. To this end, the Applicant considered the following alternatives:

- Allow the existing hospital to close;
- Operate the existing hospital, as is;
- Continue the operation of the Acute Mental Illness services, as is;
- Renovate the existing hospital to modern standards;
- Pursue the current Project, as proposed.

As explained more fully below, factoring in both economic costs and those issue related to patient access to quality of care, it should be evident why the current Project, as proposed, was identified as the alternative to pursue.

2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short term (within one to three years after project completion) and long term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**

ALTERNATIVE #1 – Allow the Existing Hospital to Close

There is no economic cost to discontinuing the existing hospital, but the adverse impact upon patient access to care would be notable. The closure of the hospital would force more patients to leave the area for care, causing undue burden.

Without this proposed Project, the likelihood is that the current hospital would eventually have to file for a Certificate of Exemption seeking the discontinuation of the hospital. Necessary

ATTACHMENT-13

**SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND
ALTERNATIVES – INFORMATION REQUIREMENTS** Continued xi

costs related to the operation and upkeep of both the East and West hospital campuses have produced an economic strain which, when compounded with the challenges maintaining a rehabilitation census, have undermined the viability of the facility to continue operating as is. Therefore, closing the hospital was an alternative that was considered.

This alternative was rejected because of the existing commitment to continue to meet the healthcare needs of the community. Current ownership did not want to close the hospital and abandon the needs of the community requiring behavioral health services. **US HealthVest, LLC** is equally committed to meeting the AMI needs for this and the surrounding communities. A robust need for AMI services continues to exist and the community warrants having access to a facility and company dedicated to meeting its mental health needs. The project, as proposed, evidences that commitment. Discontinuation would decrease patient access to care; accordingly, the notion of discontinuation was rejected.

ALTERNATIVE #2 – Operate the Existing Hospital, As Is.

The cost would be substantial, as the census has been increasingly low for the rehabilitation services, resulting in the request for discontinuation of that service, and there are notable life safety code improvements that would have to be eventually undertaken if the existing facility were to remain operational, as is. Moreover, since **US HealthVest, LLC** is not in the business of providing rehabilitation care, to maintain that service would require contracting with another provider and would be inconsistent with the existing model of providing dedicated committed care to a population requiring acute mental illness services. The intermingling of patient populations is not ideal and the eventual construction issues that would arise would make those issues even more challenging. Based upon recent life safety code surveys, the ability to operate the facility, as is, does not appear to be a viable option for an extended period of time, thus selection of this alternative would either lead back to seeking the closure of the facility

ATTACHMENT-13

SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES – INFORMATION REQUIREMENTS Continued xii

(addressed above) or the renovation of the existing facility (discussed below) both of which have costs (economic and access) that made those alternatives undesirable. Accordingly, this alternative, too, was rejected.

ALTERNATIVE #3 – Continue Operation of the Acute Mental Illness Services, As Is.

The cost of this would be difficult to evaluate but, as discussed with the notion of simply continuing to operate the hospital as is, selection of this alternative would either lead back to seeking the closure of the facility (addressed above) or the renovation of the existing facility (discussed below) both of which have costs (economic and access) that made those alternatives undesirable.

Despite the challenges the current operator experienced with maintaining a census for 46 AMI beds, US HealthVest, LLC is confident no such challenge will result if the modernized facility is approved. Consider the historical example of what occurred when Chicago Behavioral Hospital took ownership of Maryville Academy. Maryville was on the verge of voluntary closure with a maintained census in the single digits when US HealthVest, LLC was approved to take ownership and, within two years, has not only been able to maintain a full census as a flagship provider of mental health treatment, but has actually had to add beds to the previous compliment. A similar result is expected here. Additionally, this alternative would do nothing to address the already identified and approved need reflected within the CON to establish a 100 bed AMI hospital in Northbrook, Illinois. Thus it would do nothing to increase access to care in an area and category of service where a notable need continues to exist. Based upon the above outlined reasoning, this alternative was rejected.

ALTERNATIVE #4 – Renovate the Hospital to Modern Standards

This option would, by far, have the most substantial cost. It should be known that the existing hospital structure, not just the AMI gross square feet is 329,589 GSF plus a nurse's

ATTACHMENT-13

SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES – INFORMATION REQUIREMENTS Continued xiii

residence of 85,355 GSF plus the power plant comprising 25,674 GSF. Even if all 440,618 gross square feet did not have to be renovated, the structure is too large and inefficient to operate for an extended period of time.

Recent life safety code surveys have resulted in identified violations and corrections the government wants to see made. Those corrections can be grouped into those necessary for the short term (e.g. the timeframe it would take to submit a CON for the modernization of the facility, obtain regulatory approval, and construct the modernized facility) and those which would be necessary to maintain long-term operation of the existing facility. The existing structures include 440,618 square feet of space, including a separate power plant, facilities that would obsolete for the operation of a specialty AMI hospital, all housed within a structure that has been operating for over four decades. The physical structure could require millions of dollars ($440,618 \text{ GSF} \times \$304.47/\text{GSF}$ (70% of RS Means cost of \$434.96/GSF) = \$134,154,962) in renovation expenses and, given the condition of the existing structures and the scope of the work necessary to be performed, it would be exceedingly difficult to perform in stages. Therefore, there is a likelihood this option would require the cessation of operation for a period of time which, obviously, adversely affects access to quality care. Moreover, the additional cost would not result in a better suited facility to provide the care proposed by the current project. Accordingly, since the result would be increased cost without increased care, this alternative was rejected.

ALTERNATIVE #5 – Pursue the Current Project, as Proposed.

This project is the most efficient, economically and from a healthcare delivery perspective. It creates a win-win-win-win.

The Vista Health System win because it will be allowed to concentrate its focus and

ATTACHMENT-13

**SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND
ALTERNATIVES – INFORMATION REQUIREMENTS** Continued xiv

resources upon the full service hospital, Vista East, and continue its commitment to providing care to the greater community. The result will be one stronger healthcare facility operated by them – rather than two facilities competing for the same resources, each undermining what can be accomplished at the other. Moreover, given the strategic identification of **US HealthVest, LLC** to pursue this project, the result will actually be two stronger healthcare facilities meeting the comprehensive needs of the community.

US HealthVest, LLC wins because it is positioned to continue meeting the needs of the community in an area with an identifiable need for increased access to quality mental health services. It resolves the unexpected issues related to zoning challenges encountered in Northbrook because the location is zoned for the hospital currently operating on this site. It also allows **US HealthVest, LLC** to deliver the care in a brand new, modern 146 bed facility designed and dedicated to the provision of Acute Mental Illness services.

The community wins because it avoids the potential discontinuation of a healthcare facility and economic strain upon a healthcare system in a community that needs more – not less – access to healthcare. It adds jobs, reflects economic growth, and improves access to mental health care – something the community had come to rely upon from this facility. None of the existing alternatives would have such a positive result of improving access to quality care in a quality environment.

Finally, it is a win for the Health Facilities and Services Review Board, as this project is the product of existing healthcare providers having respect for the Board's principles and its rules. **US HealthVest, LLC** committed to meeting the AMI needs of this greater community when it received regulatory approval to establish a facility in Northbrook. When unexpected challenges were encountered with zoning, in addition to continuing to seek remedies to that

ATTACHMENT-13

**SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND
ALTERNATIVES – INFORMATION REQUIREMENTS** Continued xv

issue, **US HealthVest, LLC** continued to explore other options to fulfill the obligation it made to the community and to the HFSRB. The existing providers did not want to discontinue a healthcare facility that could continue to meet the needs of the community, but was not properly postured to do so, lacking the specific expertise and dedication to an AMI population, like **US HealthVest, LLC**. These commitments, taken together, results in the proposed project that will result in the better utilization of an existing facility, the strengthening of a general hospital committed to serving the entire community, increased access to quality care, and at the most reasonable cost.

For all of the above reasons, this is the alternative that was selected.

SECTION IV – PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE
Continued I

Criterion 1110.234 - Project Scope, Utilization, and Unfinished/Shell Space

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. This must be a narrative and it shall include the basis used for determining the space and the methodology applied.

The proposed AMI facility will be developed through the renovation and expansion of existing space. The State Standard for AMI space is only projected in terms of departmental gross square feet. This standard allows for an upper limit range not to exceed between 440 to 560 departmental gross square feet per bed. Vista West Behavioral Hospital will have 56,436 clinical gross square feet or 386.6 DGSF/bed. Thus, it is consistent with the HFSRB's standard contained in Appendix B to Part 1110.

2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following::

This item is not applicable as the gross square footage does not exceed the DGSF standards in Appendix B.

ATTACHMENT-14

SECTION IV – PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE
Continued II

PROJECT SERVICES UTILIZATION:

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110. Appendix B. A narrative of the rationale that supports the projections must be provided.

The HFSRB has an established utilization standard of 85% for AMI beds and services according the 77 IAC, Part 1100. The Applicant has proposed that for the first year of operation, CY 2020, the facility will experience a ramp-up of services resulting in annual adjusted patient days of 25,752 (or 48.3%). The second year of operations, CY 2021, the project will have achieved and be able to maintain an adjusted patient days totaling 46,099 days or an 86.5% utilization rate in conformance with this State standard (please note that 45,297 patient days = target rate of 85%). The adjustment includes an allowance for outpatient visits which are estimated to be :

	2019	2020	2021
Outpatient Visits	2,162	3,571	6,404

Support and justification for these assumptions comes from three types of sources, existing pent up demand for beds and services at Vista West Behavioral Hospital (formerly Vista Medical Center West); the untapped demand for beds and services as documented in the NBH Certificate of Need application; and the overflow demand of CBH. Collectively, these referral sources (refer to **ATTACHMENT-12H**) have annual referrals over the 24 month period following project completion that range from 6,564 to 6,921 patients. These referrals reflect an average length of stay of 6.9 days down to 6.5 days. This is approximate to the 7 days experienced by Vista West Behavioral Hospital's predecessor in CY 2015, yet consistent with and within the range of 5.2 days to 11.9 days of the existing AMI providers. These referrals more than justify the Applicant's ability to fill and maintain optimal utilization of the proposed project.

ATTACHMENT-15

SECTION VI – SERVICE SPECIFIC REVIEW CRITERIA Continued i

C. Criterion 1110.730 - Acute Mental Illness and Chronic Mental Illness

1110.730(c)(2) - Planning Area Need - Service to Planning Area Residents

- A) Applicants proposing to establish or add beds shall document that the primary purpose of the project will be to provide necessary health care to the residents of the area in which the proposed project will be physically located (i.e., the planning or geographical service area, as applicable), for each category of service included in the project.

Appended as **ATTACHMENT-21A** is a Microsoft MapPoint map illustrating the location of the site, its location within the Planning Service Area (HSA 8, PSA A-09) and the 45-minute travel time of the proposed site. Appended as **ATTACHMENT-21B**, is a listing of Zip Codes within the Applicant's market area. Appended as **ATTACHMENT-21C**, is a listing of patient origin for the referrals that have been made to the project. This data shows that 13,198 historical referrals or 97.8% come from within the 45-minute service area. It also shows that 11,731 historical referrals or 86.9% of the patients originate from within the A-09 PSA (Lake County). As such, the existing and expanded beds and services are for the primary purpose of the mental health care to the residents of not only the service area but the planning area.

- B) Applicants proposing to add beds to an existing AMI and/or CMI service shall provide patient origin information for all admissions for the last 12-month period, verifying that at least 50% of admissions were residents of the area. For all other projects, applicants shall document that at least 50% of the projected patient volume will be from residents of the area.

Refer to **ATTACHMENT-21C** for the existing patient origin data for admissions to the existing AMI beds. This data documents that at least 50% of the admissions were residents of the area, i.e., 45-minute travel time and the Planning Area, A-09.

ATTACHMENT-21

SECTION VI – SERVICE SPECIFIC REVIEW CRITERIA Continued II

1110.730(c)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service

The number of beds to be added for each category of service is necessary to reduce the facility's experienced high occupancy and to meet a projected demand for service. The applicant shall document subsection (c)(4)(A) and either subsection (c)(4)(B) or (C):

A) Historical Service Demand

As previously documented, this project is immediately subsequent to a change of ownership of this facility. Moreover, the historical utilization disclosed previously herein, has not experienced high occupancy. These referrals were stifled in part by the following reasons:

- Room assignments that often resulted in this small unit being at maximum occupancy that is lower than the license take place due to ratio of male to female patients as well as adult versus child and adolescent patients.
- The unit is set up with semi private rooms and frequently patients need to be assigned in private rooms due to clinical issues. This unit has not been actively marketed it appears that there is a community perception that the hospital may not be open. This perception is likely due to the large campus with very small services lines in such a large building.
- To manage labor costs the unit had been staffed with a smaller core staffing compliment that would make taking admissions to full capacity challenging.
- The physical plant is old and is cosmetically in need of updating. This makes the facility less attractive than others and makes it hard to compete for patients.

This application addresses all of those issues. Moreover, service lines will be expanded to meet the needs of the residents of the service area. The Applicant proposes to offer programs for adult psychiatric, Senior Adult, child and adolescent, women only, veterans, faith-based and dual diagnosis patients. Each program will be separate from each other keeping children, women, veterans, and faith-based patients apart and individual programming and treatment. Through these referrals and programs, the mental health and well-being for the population will be addressed.

ATTACHMENT-21

SECTION VI – SERVICE SPECIFIC REVIEW CRITERIA Continued III

B) Projected Referrals

Collectively, these referral sources (refer to **ATTACHMENT-12H**) have annual referrals over the 24 month period following project completion that range from 6,564 to 6,921 patients. These referrals reflect an average length of stay of 6.5 days to 6.9 days. This is approximate to the 7 days experienced by Vista West Behavioral Hospital's predecessor in CY 2015, yet consistent with and within the range of 5.2 days to 11.9 days of the existing AMI providers. Please refer to **ATTACHMENT-21D** for the Vista Medical Center West IDPH profile.

These referral letters include the following:

- i) physician's total number of patients (by zip code of residence) who have received care at existing facilities located in the area during the 12-month period prior to submission of the application;
- ii) estimated number of patients the physician will refer to the applicant's facility within a 24-month period after project completion;
- iii) a notarized signature, the typed or printed name of the physician, the physician's office address and the physician's specialty; and
- iv) Verification that the patient referrals have not been used to support another pending or approved CON application for the subject services.

C) Projected Service Demand – Based on Rapid Population Growth

While this project is based upon accessibility and demand for additional beds and services and not on rapid population growth, population is an important function of demand. In Lake County, A-09 PSA, there were 705,050 total persons in CY 2013. The State project's that in CY 2018, the population will climb to 751,690 people. Please refer to **ATTACHMENT-21E** for a copy of the Inventory of Health Care Facilities and Services and Need Determinations. The State's projected 2020 population for Lake County is projected to grow to 764,397 persons. This represents a five year increase of 6.6 percent between 2013 and 2018. From 2018 through 2020 that two year growth is 12,707 persons (1.7%). Through 2025 the population is projected to

ATTACHMENT-21

SECTION VI – SERVICE SPECIFIC REVIEW CRITERIA Continued iv

grow an additional 29,679 (3.9%). The existing 59 existing beds within the planning area (refer to **ATTACHMENT-21F** for the update to the May 3, 2017 revised Bed Need Determinations) equate to a ratio of 12,956 persons to every AMI bed (CY 2020). The States ratio of persons to beds is 3,129 persons for every AMI bed. The Planning Area (A-09 has four times less beds per person as what is in the State using CY 2020 demographics. National averages range from 40-50 beds per 100,000 people. As such, this market could support between 306-382 AMI beds. Looking at a more conservative 30 beds per 100,000 this indicates 229 beds could be supported compared to the 159 beds being proposed in the PSA upon project completion. While there may not be a rapid population growth, the population is growing and there certainly is an under supply of AMI beds for the population.

In support of the above arguments, appended as **ATTACHMENT-21G**, is an article, A Dearth of Psychiatric Beds from Psychiatric Times February 25, 2016 (<http://www.psychiatrictimes.com/forensic-psychiatry/dearth-psychiatric-beds>, 9/12/2017) which states that the current shortage of psychiatric beds is a major problem, nationwide. It goes on to identify a study in which a bed need is derived that equates to 30 beds per 100,000 for adult psych services only. To add child and adolescent behavioral health services it was a consensus that the bed need ranged from 40-60 beds per 100,000 persons with the most likely bed need at 50 beds per 100,000. The current inventory of 59 AMI beds equates to 7.7 beds per 100,000 persons. The resultant project that adds 100 additional beds to the inventory only brings the beds per 100,000 up to 20.8. Thus, conservatively, this project makes great strides toward addressing the overall behavioral health needs but there will still appear to be an unmet need upon project completion.

ATTACHMENT-21

SECTION VI – SERVICE SPECIFIC REVIEW CRITERIA Continued v

1110.730(e)(1), (2), and (3) - Deteriorated Facilities

- 1) If the project involves modernization of an AMI and/or CMI service, the applicant shall document that the inpatient bed areas to be modernized are deteriorated or functionally obsolete and need to be replaced or modernized, due to such factors as, but not limited to:

The original structure on the Vista West Behavioral Health campus was constructed in 1929. This 88 year old hospital building has had numerous renovations and expansions. Appended as **ATTACHMENT-21H**, is a HFSRB listing of projects (CON & COE) on this campus since the CON program was started in the early 1970's. The records show that the last major modernization occurred in 1979. The newest structure on the site is the building that will be renovated and expanded which was built in 1989.

All buildings on the site are connected. However, they can be differentiated by Hospital structure, Nurse's Residence, Professional Office Building, Parking Structure, and Power Plant. The professional office building is by far the newest structure on the campus and it will be renovated and expanded. The remaining buildings comprise a total of 440,618 GSF excluding the 315,310 GSF parking structure that will also remain.

The State's norm for construction costs per gross square foot comes from the 3rd quartile of the RS Means report. This report sets the State Standard for new construction of Hospitals at \$434.96 per gross square foot. The renovation limit is 70% of the new construction costs, thus it is set at \$304.47/GSF. To renovate the existing building could costs in excess of \$134,155,844 as these are only the hard costs to the project and does not take into consideration any potential mediation costs, power plant and internal HVAC/electrical/mechanical and infrastructure issues. The existing AMI beds are all located all on the 3rd floor of the main hospital. They are actually using "A" wing (north tower) as a 16 bed child unit and "B" wing (south tower) as 26 bed adult unit. These two units are connected. The two bed towers currently only use floors three and

ATTACHMENT-21

SECTION VI – SERVICE SPECIFIC REVIEW CRITERIA Continued vi

seven, with floor seven being recently discontinued (Comprehensive Physical Rehabilitation category of service) by the previous hospital owner. It should be noted that the hospital has nine floors of which floors eight and nine are mechanical penthouse floors. When considering the total scope of work and the overall mass of the existing structures given that much of it was constructed in 1929, the existing space is just not efficient or manageable to undertake such a renovation. Appended as **ATTACHMENT-21I** is a letter from Miro Petrovic, AIA, Executive Vice President of **US HealthVest, LLC** documenting and summarizing compliance or in this case non-compliance with licensing or life safety codes as outlined from the facility's most recent IDPH/CMMS inspection report.

The proposed project does however utilize existing underutilized space and through its renovation and expansion has created the most cost effective utilization of resources. As the newest building, the infrastructure is in-place, such as the building being sprinkled where it is not in the existing hospital structure. It is more effective to upgrade the proposed campus building with required back up power supplies and the like than to try to upgrade the existing for the much larger inefficient structure. Upon project completion, 493,409 GSF (total existing GSF excluding the parking structure will be replaced by 88,180 GSF using 56,436 existing gross square feet of space and 31,744 GSF of new construction. The currently utilized structure will be permanently closed but the utilization of the existing space offers the added benefit of allowing the project to be staged without temporarily discontinuing the service to undergo the construction's renovation and expansion. Again, this alternative of the project as being proposed presents the most efficient and effective solution to continuing and expanding the existing AMI category of service.

ATTACHMENT-21

SECTION VI – SERVICE SPECIFIC REVIEW CRITERIA Continued vii

1110.730(e)(4) - Occupancy

- 4) Projects involving the replacement or modernization of a category of service or hospital shall meet or exceed the occupancy standards for the categories of service, as specified in 77 Ill. Adm. Code 1100.

The occupancy standard set forth in the 77 IAC, Chapter 11, Subchapter a, Part 1100, Section 1100.560c/ Utilization Target is 85%, therefore, the existing beds and services do not meet this item. However, this is the precise reason why this project is needed. These beds are not optimally occupied because there is not a need for this service. These beds are not full because of priorities in resources but most of all because of the existing physical plant environment. Appended as **ATTACHMENT-21J** is a letter from the previous administration (Vista Health System) describing why the facility was under-utilized.

Refer to **ATTACHMENT-12H** for the 32 letters of referrals supporting this project and documenting its ability to fully (optimally) utilize all of the 146 AMI beds proposed. The following chart summarizes the total number of referrals by source.

Referral Source	Historical 12 Months		Projected Monthly Referrals	Projected 1 Year Referrals	
	min	max		min	max
Savannah Aldering, Executive Director, Harbor House	3	3	1.0	12	12
Thodur Ranganthan, MD, Medical Director and Anthony DeJoseph, PsyD, Chief Executive Officer, Chicago Behavioral Hospital					
Daisy Andaleon, MD, Vista Physician Group	180	240	15.0	180	180
Dante Gabriel, MD, Dante Gabriel, MD, SC	72	72	8.3	100	100
Faye Montes, MD, Dante Gabriel, MD, SC	60	72			
Marson Tenoso, MD, Dante Gabriel, MD, SC	60	72			
Gopal Bhalala, MD, Dante Gabriel, MD, SC	112	112	8.3	100	115
Mariusz Milejczyk, MD, Lake County Internal Medicine Associates LLC	90	90	6.7	80	120
Pedro Palu-ay, MD, Vista Physician Group	120	180	10.0	120	120
Xavier W. Parreno, MD, Internal Medicine	52	52	4.2	50	100
Abdul Aziz, MD	6	6	0.3	3	5
Alma Guzman, MD, Dante Gabriel, MD, SC	60	72			
Jennifer-Jackson Bellucci, MD, Family Medicine Specialists	825	825	66.7	800	900
Bruce Sewick, LCPC, CADC, Leyden Family Services	175	175	8.8	105	105
Bright Fellowes, PsyD, President and Owner, Mental Health Solutions	50	50	4.2	50	50
Edgar Ramos, Psy.D. Associates in Behavioral Science	468	468	39.0	468	468
Sonja Crockett, MA, LCPC and Lorna Rivera, MD, The Kenneth Young Center	48	48			

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SECTION VI – SERVICE SPECIFIC REVIEW CRITERIA Continued viii

(Table Continued) Referral Source	Historical 12 Months		Projected Monthly Referrals	Projected 1 Year Referrals	
	min	max		min	max
Karen Kness, MBA, MHA, Executive Director and Dr. Uzoma Okoli, Behavioral Health Medical Director, Lake County Physicians' Association	307	307	25.0	300	300
Ramesh B. Vemuri, MD, Mathers Clinic	809	809	-		
Lee Francis, MD, MPH, President and CEO, Erie Family Health Center	62	62	5.2	62	62
Susan Lin, MD, Psychiatrist, The Josselyn Center	65	65	6.3	75	75
Eun Sun Piak MD, Vista Physician Group	60	60	5.8	70	70
Lisa Johnson, Executive Director, Independence Center	30	30			
Lisa Charles Fields, PhD, PA-C, Primary Care Physician & James A. Joseph, DO, Primary Care Physician, Intervention Arms Medical Center, LLC	100	150	12.5	150	175
Rashmikaht Patel, MD	150	150	14.6	175	175
Thodur Ranganathan, MD, Phychiatrist	2,280	2,280	70.0	840	960
Luis Salazar, MD, Provida Family Medicine	1,200	1,200	3.0	36	36
Nina Neyman, MD, Hillcrest Nursing Center	6	6	0.8	10	10
Todd Paxton, DO, Aurora Health Care Zion			0.8	10	12
Dennis E. McCreary, MD, Aurora Health Care Zion			1.0	12	15
Kenji Oyasu, Emergency Department Medical Director; Josia Henry, Hospitalist Physician; Tony Pallan, Hospitalist Physician; and Amber Servatius, Hospitalist Medical Director, Vista Health System	70,000	70,000	125.0	1,500	1,500
Rhian Morcott, MD, Staff Psychiatrist, Lake County Health Department	1,888	944	104.7	1,256	1,343
	78,394	78,600	547.0	6,564	6,921

Included within these referral letters are 70,000 historical referrals and 1,500 projected referrals from Doctors at Vista Health System supporting this Project. This number is well in line with admissions previously received by the AMI unit under previous ownership. Part of the transaction for change of ownership included a business arrangement where this Applicant will provide a staff person in the Emergency Room of Vista Medical Center East to assist that facility in evaluating, deescalating current situations and transferring patients in need of behavioral health services. This will allow both entities to provide a more comprehensive approach to mental and behavioral health needs for the entire service area.

Interestingly, the previously cited article (refer to **ATTACHMENT-21G**) references long existing wait times for AMI beds and services pressuring existing facilities to discharge prematurely often only to be readmitted. Those readmissions often end up "homeless or incarcerated". A second article (appended as **ATTACHMENT-21K**) by HealthDay: U.S.

ATTACHMENT-21

SECTION VI – SERVICE SPECIFIC REVIEW CRITERIA Continued ix

Psychiatric Patients Face Long Waits in ERs (<https://consumer.healthday.com/mental-health-information-25/psychology-and-mental-health-news-566/u-s-psychiatric-patients-face-long-waits-in-ers-715918.html>) states that according to 20 percent of ER doctors surveyed said that they had patients in the ER that had to wait 2-5 days for needed in-patient AMI beds. It goes on to say "most of the patients are very sick. We only admit people that need care for being suicidal or homicidal or delusional." It appears that this is what typical acute care providers do due to limited resources. The first article also found that the average length of stay at existing AMI beds is low and should probably be around a 20 day average length of stay (ALOS). At Chicago Behavioral Hospital (CBH) the ALOS is 11 days in CY 2015 (refer to ATTACHMENT-21L for the facility's IDPH profile). Should all of the referrals be admitted, the resultant ALOS would equate to 6.5 to 6.9 days. If an 11 day ALOS is more reasonable, only 4,118 referrals could be admitted. If the article holds true and a 20 day ALOS is necessary then only 2,265 referrals could be admitted. As such, this project more than documents the need for the project as being proposed.

ATTACHMENT-21

SECTION VI – SERVICE SPECIFIC REVIEW CRITERIA Continued x

1110.730(f)(1) - Staffing Availability

The applicant shall document that relevant clinical and professional staffing needs for the proposed project were considered and that licensure and Joint Commission staffing requirements can be met. In addition, the applicant shall document that necessary staffing is available by providing letters of interest from prospective staff members, completed applications for employment, or a narrative explanation of how the proposed staffing will be achieved.

Staffing of the resultant Vista West Behavioral Hospital will be like that of Chicago Behavioral Hospital and as portrayed for Silver Oaks Hospital (HFSRB Permit for 17-009). This means that staffing for Vista West Behavioral Hospital will meet all State of Illinois hospital licensing requirements, Joint Commission accreditation requirements, Medicare/Medicaid conditions of participation and industry requirements.

All existing employees in Vista Medical Center West's AMI unit and emergency department dealing directly with AMI patients will be offered employment at Vista West Behavioral Hospital.

Appended below is the proposed staffing pattern, estimating to have 193.6 total full time equivalents.

STAFFING				
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total Direct Care	21.12	35.35	54.37	94.03
Other Clinical	14.56	19.68	26.67	32.37
Total Inpatient	35.68	55.03	81.03	126.40
Support	3.67	4.00	4.00	6.5
Outpatient	28.44	38.10	48.63	60.7
Total FTEs	67.78	97.13	133.67	193.60

Currently, there are 10.8 existing FTE's related to direct care staff and numerous support and outpatient care staff from which the total staffing needs will be built upon.

Chicago Behavioral Hospital uses a variety of tools to recruit staff, including, but not limited to, web based programs and traditional sites and methods such as nurse.com, indeed.com,

ATTACHMENT-21

SECTION VI – SERVICE SPECIFIC REVIEW CRITERIA Continued xl

monster.com, careerbuilder.com, National Healthcare Career Network, Sun-Times Network, Chicago Tribune, and job fairs. Vista West Behavioral Hospital intends to use those same recruiting tools to staff the proposed hospital, as well as keeping staff from the behavioral care unit at Vista Medical Center West to the renovated and expanded facility. It should be known that Chicago Behavioral Hospital has been experiencing very low vacancy rates in employment. This positive reputation within the employment marketplace and the healthcare community will certainly assist in the recruitment efforts to maintain appropriate staff for this facility. The past year the staff vacancy rate has averaged 1 percent. Therefore, the Applicants are confident that they will be able to staff the proposed hospital especially with a newer more modern physical plant environment.

ATTACHMENT-21

SECTION VI – SERVICE SPECIFIC REVIEW CRITERIA Continued xii

1110.730(g) - Performance Requirements – Bed Capacity Minimums

- 1) The minimum unit size for a new AMI unit within an MSA is 20 beds.
- 2) The minimum unit size for a new AMI unit outside an MSA is 10 beds.

This project has 46 existing AMI beds and seeks to expand those beds with 100 addition beds. This exceeds this item's minimum standard; therefore, this criterion is satisfied.

ATTACHMENT-21

SECTION VI – SERVICE SPECIFIC REVIEW CRITERIA Continued xiii

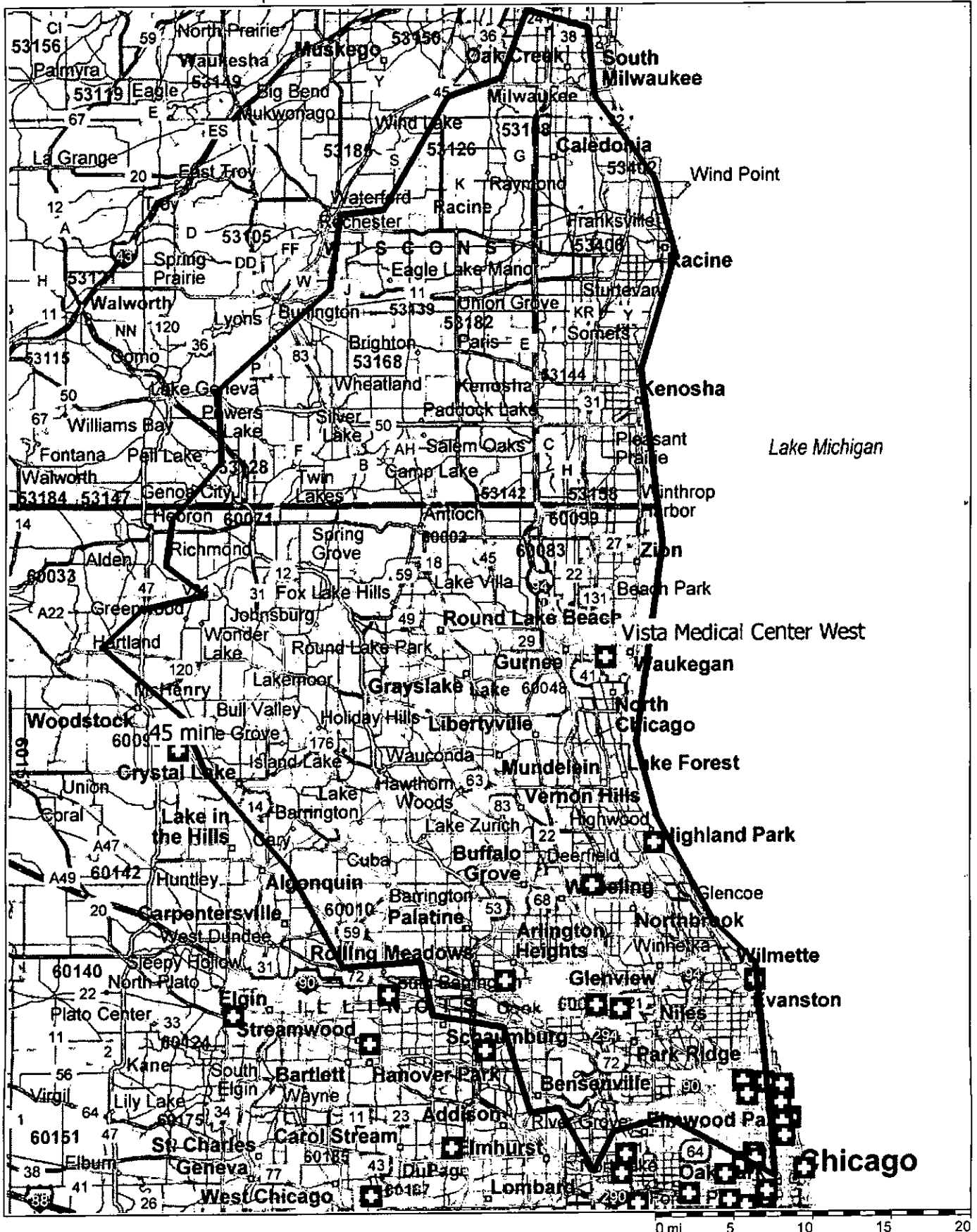
1110.730(h) - Assurances

The applicant representative who signs the CON application shall submit a signed and dated statement attesting to the applicant's understanding that, by the second year of operation after the project completion, the applicant will achieve and maintain the occupancy standards specified in 77 Ill. Adm. Code 1100 for each category of service involved in the proposal.

Appended as **ATTACHMENT-21M** is the requested attestation regarding utilization and utilization standards. As set forth herein, the Applicants have documented that the renovated and expanded AMI hospital, in its second year of operations, will meet or exceed the relevant utilization standards.

ATTACHMENT-21

MapPoint 45 min Travel Contour Vista Medical Center West



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ATTACHMENT-21A

Vista West Behavioral Hospital
45-Minute Zip Codes

<u>ZIP Code</u>	<u>Population</u>	<u>ZIP Code</u>	<u>Population</u>	<u>ZIP Code</u>	<u>Population</u>
53104	Wisconsin Zip Code	60026	14,376	60085	71,051
53108	Wisconsin Zip Code	60029	469	60087	26,545
53126	Wisconsin Zip Code	60030	36,649	60088	12,556
53128	Wisconsin Zip Code	60031	37,800	60089	41,594
53139	Wisconsin Zip Code	60035	29,806	60090	38,014
53140	Wisconsin Zip Code	60037	no census info	60091	27,350
53142	Wisconsin Zip Code	60040	5,391	60093	19,447
53143	Wisconsin Zip Code	60041	9,192	60096	6,871
53144	Wisconsin Zip Code	60042	8,603	60097	10,623
53154	Wisconsin Zip Code	60043	no census info	60099	31,147
53158	Wisconsin Zip Code	60044	9,715	60106	20,083
53168	Wisconsin Zip Code	60045	20,514	60131	18,125
53170	Wisconsin Zip Code	60046	35,013	60164	22,035
53177	Wisconsin Zip Code	60047	42,330	60165	4,947
53179	Wisconsin Zip Code	60048	28,966	60173	12,361
53181	Wisconsin Zip Code	60050	31,809	60176	11,834
53182	Wisconsin Zip Code	60051	24,769	60201	43,247
53402	Wisconsin Zip Code	60053	23,472	60202	32,356
53403	Wisconsin Zip Code	60056	55,803	60203	4,480
53404	Wisconsin Zip Code	60060	38,138	60618	97,324
53405	Wisconsin Zip Code	60061	26,352	60622	55,516
53406	Wisconsin Zip Code	60062	40,344	60625	78,731
60002	24,340	60064	15,954	60630	56,653
60004	50,639	60067	37,899	60631	28,255
60005	29,942	60068	37,608	60634	74,093
60008	22,043	60069	8,572	60641	72,588
60010	44,331	60070	16,147	60645	45,873
60012	10,960	60071	3,520	60646	28,203
60013	26,242	60072	910	60647	88,269
60014	48,868	60073	61,118	60656	28,526
60015	27,356	60074	39,757	60659	38,276
60016	61,096	60076	32,523	60666	no census info
60018	29,351	60077	28,053	60706	23,452
60020	9,875	60081	9,874	60712	12,666
60021	5,455	60082	no census info	60714	30,056
60022	8,486	60083	10,676	Sub-Total	1,213,147
60025	39,525	60084	15,695		
Sub-Total	438,509	Sub-Total	837,817		

Total Population within 45-min 2,489,473

Source: American Fact Finder, United States Census Bureau (www.factfinder.census.gov)
Microsoft MapPoint 2009

ATTACHMENT- 21B

Vista West Behavioral Hospital
Historical Referrals within
45-Minute Travel Time Contour

Historical Referrals' Zip Codes	# of Historical Referrals	Historical Referrals' Zip Codes	# of Historical Referrals
53104	5	60074	60
53142	2	60074	13
53144	3	60076	80
53158	3	60077	74
53181	1	60078	12
54913	2	60079	15
60002	212	60081	3
60004	5	60083	73
60009	109	60084	86
60010	297	60085	5,793
60011	13	60086	48
60012	2	60087	767
60013	4	60088	13
60015	9	60089	89
60016	119	60090	21
60020	206	60091	109
60025	111	60093	67
60026	69	60094	11
60029	109	60096	23
60030	328	60097	3
60031	491	60098	2
60033	1	60099	721
60034	6	60106	2
60035	145	60110	3
60037	2	60164	2
60038	11	60201	7
60040	24	60202	72
60041	69	60301	1
60042	50	60431	1
60044	56	60525	1
60045	26	60613	2
60046	324	60618	4
60047	48	60629	3
60048	124	60630	2
60050	5	60639	3
60051	10	60641	2
60053	120	60645	11
60055	11	60647	2
60056	120	60659	2
60060	346	60660	2
60061	86	60707	3
60062	113	60714	59
60064	431	60804	2
60067	12	61074	2
60069	9	62301	5
60070	73	9009S	10
60073	883	92880	2
Sub-Total	5,205	Sub Total	8,288
Total Historical Referrals		13,493	

45-Minute Referrals' Zip Codes	Referrals within 45 Minutes	45-Minute Referrals' Zip Codes	Referrals within 45 Minutes	45-Minute Referrals' Zip Codes	Referrals within 45 Minutes
53104	5	60026	69	60084	86
53108	0	60029	109	60085	5793
53126	0	60030	328	60087	767
53128	0	60031	491	60088	13
53139	0	60035	145	60089	89
53140	0	60037	2	60090	21
53142	2	60040	24	60091	109
53143	0	60041	69	60093	67
53144	3	60042	50	60096	23
53154	0	60043	0	60097	3
53158	3	60044	56	60099	721
53168	0	60045	26	60106	2
53170	0	60046	324	60131	0
53177	0	60047	48	60164	2
53179	0	60048	124	60165	0
53181	0	60050	5	60173	0
53182	0	60051	10	60176	0
53402	0	60053	120	60201	7
53403	0	60056	120	60202	72
53404	0	60060	346	60203	0
53405	0	60061	86	60618	4
53406	0	60062	113	60622	0
60002	212	60064	431	60625	0
60004	5	60067	12	60630	2
60005	0	60068	0	60631	0
60008	0	60069	9	60634	0
60010	297	60070	73	60641	2
60012	2	60071	0	60645	11
60013	4	60072	0	60646	0
60014	0	60073	883	60647	2
60015	9	60074	60	60656	0
60016	119	60076	80	60659	2
60018	0	60077	74	60666	0
60020	206	60081	3	60706	0
60021	0	60082	0	60712	0
60025	111	60083	73	60714	59
60022	0	Sub-Total	4,363	Sub-Total	7,857
Sub-Total	978				

Total Historical Referrals within 45 Minutes 13,198
% of Referrals within 45 Minutes 97.8%

Total Historical Referrals within Lake County 11,731
% of Referrals within Lake County 86.9%

[illegible]

INVENTORY OF HEALTH CARE FACILITIES AND SERVICES AND NEED DETERMINATIONS

Illinois Health Facilities and Services Review Board
Illinois Department of Public Health

ACUTE MENTAL ILLNESS Category of Service

8/4/2015

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			Acute Mental Illness Planning Area: A-06		2013 Utilization		
Hospital			City		Beds	Admissions	Patient Days
Loyola Health System at Gottlieb			Melrose Park		12	235	3,564
5/14/2013	E-012-13	Received exemption for change of ownership.					
MacNeal Hospital			Berwyn		62	2,676	17,630
9/24/2013	13-044	Received permit for Change of Ownership.					
Riveredge Hospital			Forest Park		210	2,968	40,317
Westlake Hospital			Melrose Park		50	1,043	11,867
2/8/2013	Bed Change	Added 17 beds to existing category of service; facility now has 50 authorized Acute Mental Illness beds.					
9/24/2013	13-042	Received permit for Change of Ownership.					
Planning Area Totals					334	6,922	73,378

Estimated 2013 Total Population	Minimum Beds per 1,000	Minimum AMI Bed Need	Experienced AMI Use Rate	Projected 2018 Total Population	Projected Patient Days	Days in Year 2018	Projected Average Daily Census	Target Occupancy Rate	Calculated Bed Need	Planned Bed Need	Excess Beds
493,350	0.11	54	148.7	494,940	73,614	365	201.7	0.85	237	237	97

			Acute Mental Illness Planning Area: A-07		2013 Utilization		
Hospital			City		Beds	Admissions	Patient Days
Alexian Brothers Behavioral Health Hospital			Hoffman Estates		141	6,138	47,359
Alexian Brothers Medical Center			Elk Grove Village		25	0	0
12/17/2013	13-062	Permit issued to establish a 25 bed Acute Mental Illness category of service.					
Chicago Behavioral Health Hospital			Des Plaines		125	891	13,479
Lutheran General Hospital - Advocate			Park Ridge		55	1,330	10,763
Northwest Community Hospital			Arlington Heights		32	1,269	8,489
Streamwood Hospital			Streamwood		178	2,547	38,372
9/1/2014	Bed Change	Added 16 Acute Mental Illness beds to existing category of service; facility now has 178 Acute Mental Illness beds.					
Planning Area Totals					556	12,175	118,462

Estimated 2013 Total Population	Minimum Beds per 1,000	Minimum AMI Bed Need	Experienced AMI Use Rate	Projected 2018 Total Population	Projected Patient Days	Days in Year 2018	Projected Average Daily Census	Target Occupancy Rate	Calculated Bed Need	Planned Bed Need	Excess Beds
631,360	0.11	70	187.6	631,840	118,552	365	324.8	0.85	382	382	174

CHMENT-21E

Acute Mental Illness Planning Area: A-08									2013 Utilization		
Hospital		City							Beds	Admissions	Patient Days
Evanston Hospital		Evanston							21	1,079	6,677
Planning Area Totals									21	1,079	6,677
Estimated 2013 Total Population	Minimum Beds per 1,000	Minimum AMI Bed Need	Experienced AMI Use Rate	Projected 2018 Total Population	Projected Patient Days	Days in Year 2018	Projected Average Daily Census	Target Occupancy Rate	Calculated Bed Need	Planned Bed Need	Beds Needed
453,490	0.11	50	14.7	451,330	6,645	365	18.2	0.85	21	50	29

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ATTACHMENT-21E

INVENTORY OF HEALTH CARE FACILITIES AND SERVICES AND NEED DETERMINATIONS

Illinois Health Facilities and Services Review Board
Illinois Department of Public Health

ACUTE MENTAL ILLNESS Category of Service

8/4/2015

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Acute Mental Illness Planning Area: A-09									2013 Utilization		
Hospital			City			Beds	Admissions	Patient Days			
Highland Park Hospital			Highland Park			13	661	3,381			
Vista Medical Center West			Waukegan			46	1,452	9,420			
Planning Area Totals						59	2,113	12,801			
Estimated 2013 Total Population	Minimum Beds per 1,000	Minimum AMI Bed Need	Experienced AMI Use Rate	Projected 2018 Total Population	Projected Patient Days	Days in Year 2018	Projected Average Daily Census	Target Occupancy Rate	Calculated Bed Need	Planned Bed Need	Beds Needed
705,050	0.11	83	18.2	751,690	13,648	365	37.4	0.85	44	83	24
Acute Mental Illness Planning Area: A-10									2013 Utilization		
Hospital			City			Beds	Admissions	Patient Days			
Centegra Hospital - Woodstock 4/22/2014 14-004			Woodstock			34	0	0			
Centegra Specialty Hospital - Woodstock 4/22/2014 14-003			Woodstock			0	940	6,904			
11/12/2014 14-039											
Planning Area Totals						34	940	6,904			
Estimated 2013 Total Population	Minimum Beds per 1,000	Minimum AMI Bed Need	Experienced AMI Use Rate	Projected 2018 Total Population	Projected Patient Days	Days in Year 2018	Projected Average Daily Census	Target Occupancy Rate	Calculated Bed Need	Planned Bed Need	Beds Needed
308,010	0.11	37	22.4	337,710	7,570	365	20.7	0.85	24	37	3
Acute Mental Illness Planning Area: A-11									2013 Utilization		
Hospital			City			Beds	Admissions	Patient Days			
Presence Saint Joseph Hospital - Elgin			Elgin			30	1,249	6,761			
Planning Area Totals						30	1,249	6,761			
Estimated 2013 Total Population	Minimum Beds per 1,000	Minimum AMI Bed Need	Experienced AMI Use Rate	Projected 2018 Total Population	Projected Patient Days	Days in Year 2018	Projected Average Daily Census	Target Occupancy Rate	Calculated Bed Need	Planned Bed Need	Beds Needed
397,800	0.11	48	17.0	436,360	7,416	365	20.3	0.85	24	48	18
Acute Mental Illness Planning Area: A-12									2013 Utilization		
Hospital			City			Beds	Admissions	Patient Days			
Presence Mercy Medical Center			Aurora			95	2,739	16,823			
Planning Area Totals						95	2,739	16,823			
Estimated 2013 Total Population	Minimum Beds per 1,000	Minimum AMI Bed Need	Experienced AMI Use Rate	Projected 2018 Total Population	Projected Patient Days	Days in Year 2018	Projected Average Daily Census	Target Occupancy Rate	Calculated Bed Need	Planned Bed Need	Excess Beds
366,890	0.11	45	45.9	405,330	18,586	365	50.9	0.85	60	60	35

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ATTACHMENT-21E

ILLINOIS DEPARTMENT OF PUBLIC HEALTH
STATE SUMMARY
REVISED BED NEED DETERMINATIONS
5/3/2017

ACUTE MENTAL ILLNESS PLANNING AREAS	ACUTE MENTAL ILLNESS			
	APPROVED EXISTING BEDS	CALCULATED BEDS NEEDED	ADDITIONAL BEDS NEEDED	EXCESS AMI BEDS
PLANNING AREA 1	66	77	11	0
PLANNING AREA 2	144	96	0	48
PLANNING AREA 3	242	173	0	69
PLANNING AREA 4	217	142	0	75
PLANNING AREA 5	81	67	0	14
PLANNING AREAS 6 & 7				
6 A-1	420	313	0	107
6 A-2	729	516	0	213
6 A-3	224	113	0	111
6 & 7 A-4	195	130	0	65
7 A-5	275	233	0	42
7 A-6	340	237	0	103
7 A-7	556	382	0	174
7 A-8	121	50	0	71
AREA 6 & 7 TOTALS	2,860	1,974	0	886
PLANNING AREA				
8 A-9	59	83	24	0
8 A-10	34	37	3	0
8 A-11	30	48	18	0
8 A-12	95	60	0	35
AREA 8 TOTALS	218	228	45	35
PLANNING AREA				
9 A-13	75	91	16	0
9 A-14	89	52	0	37
AREA 9 TOTALS	164	143	16	37
PLANNING AREA 10	54	44	0	10
PLANNING AREA 11	150	99	0	51
ILLINOIS AMI TOTALS	4,196	3,043	72	1,225

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Half as many relapses*
 in the 2-year DEFINE trial

 Annualized relapse rate:
 TECFIDERA 0.172 (n=416); Placebo 0.354 (n=408) (P<0.0001)
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 Indication
 Tecfidera® (dimethyl fumarate) is indicated for the treatment of patients with relapsing forms of multiple sclerosis.

 Tecfidera®
 (dimethyl fumarate)

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A Dearth of Psychiatric Beds

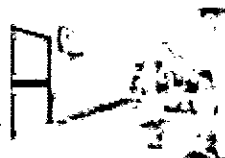
 February 25, 2016 | Psychiatric Emergencies, Cultural Psychiatry, Forensic Psychiatry, Risk Assessment
 By E. Fuller Torrey, MD

COMMENTARY

The current shortage of psychiatric beds in the US is a major problem. Emergency departments (EDs) are crowded with acutely psychotic patients—some who wait for beds for up to a month. The pressure on existing beds is so intense that patients are discharged prematurely and often have to be

readmitted or end up homeless or incarcerated. Nevertheless, many states continue to decrease the number of state hospital beds. One reason for such decisions by state officials is that there is no accepted standard regarding how many psychiatric beds are needed.

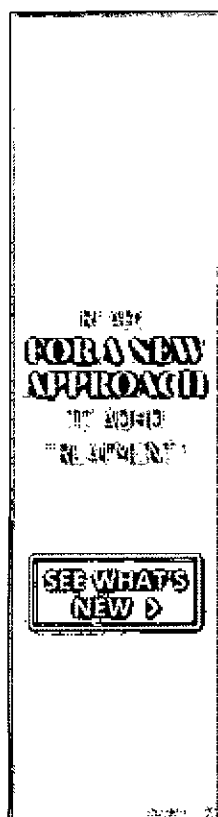
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 A Dearth of Psychiatric Beds
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The recently published study of psychiatric bed needs by La and colleagues¹ provides such a standard. The authors studied a 25-county region of North Carolina with a population of 3.4 million. The regions' total psychiatric bed capacity consisted of 398 beds in a state hospital; 494 adult psychiatric beds in 14 general or private psychiatric hospitals; and 66 nonhospital crisis beds in 5 facilities. Combined, this totaled 958 psychiatric beds, or approximately 28 adult beds per 100,000 population. The average ED preadmission wait time for psychiatric beds in this region at the time of the study (2010 to 2012) was 3.3 days.

The authors used a computer simulation program to model different scenarios to ascertain how many additional psychiatric beds would be needed to achieve an average preadmission wait time of less than a day. The answer was 356 additional beds, bringing the total bed capacity to 1314 or about 39 adult beds per 100,000 population. This calculation included only adult patients (ages 18 to 64) and assumed a median duration of stay in the state hospital of 20 days, which existed in the hospital



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under study at that time. This calculation did not include psychiatric beds for children or for forensic patients who usually stay for extended periods.

In 2009 a study was published by the Treatment Advocacy Center that estimated the minimum number of public beds necessary for adequate psychiatric services for a population of 100,000.^{2(PDF)} Estimates were solicited "from 15 experts on psychiatric care in the US, (including) individuals who have run private and state psychiatric hospitals, county mental health programs, and experts on serious psychiatric disorders."

In contrast to the study by La and colleagues, the 2008 estimates included beds for children and forensic patients. The consensus estimate of bed need by the 15 experts was 50 (range 40 to 60) public psychiatric beds per 100,000 population. Given these findings, it seems reasonable to establish a range of 40 to 60 psychiatric beds per 100,000 population as a minimum standard currently needed for reasonable psychiatric care in the US in light of the realities of the present funding system.

Such caveats are necessary because we actually do not know how many psychiatric beds would be needed if we were not constrained by Medicaid and other federal regulations. Before these regulations, several studies demonstrated affective and less expensive alternatives to psychiatric hospitalizations. For example, in 1961 to 1964 the Louisville Homecare Project demonstrated that approximately 75% of persons with schizophrenia could be successfully treated at home rather than the hospital with daily visits by public health nurses and guaranteed medication compliance.^{3,4} Similarly, the Southwest Denver Mental Health Services contracted with private homes to take acutely ill individuals with care coordinated from the mental health center.⁵ Without federal regulations, many alternatives to hospitalization might be found.

Given the present system, however, it is clear that a small number of individuals will continue to need a hospital that is staffed for very difficult patients and/or those whose stay should be measured in weeks, not days. As La and colleagues note, state psychiatric hospitals have traditionally played this role, since they "are designed and staffed to care for people with severe mental illness, including those who may become violent." Thus, "state psychiatric hospitals are the ultimate safety net for people with mental illness."

Psychiatric units in general hospitals and private psychiatric hospitals occasionally admit individuals who have the most severe forms of mental illness, but most are not staffed to do so. In addition, most individuals with the most severe forms of mental illness do not have health insurance and are considered less desirable by private psychiatric hospitals and psychiatric units in general hospitals, 81% of which are privately owned.

Currently, there are about 35,000 state psychiatric beds available, or about 11 beds per 100,000 population.

It would thus be useful to establish a standard for what percentage of the 40 to 60 beds per 100,000 population should be in state psychiatric hospitals, but there is no such standard at this time. In 1955 there were 558,239 state and county psychiatric beds available, or about 340 beds per 100,000 population. Currently, there are about 35,000 state psychiatric beds available, or about 11 beds per 100,000 population. However, even this figure is misleading because in most states the existing state psychiatric hospital beds are largely occupied by court-ordered long-stay patients and therefore not available for the admission of acutely psychotic patients.

For example, a 2014 study reported that Lamed State Hospital in Kansas had 457 beds.^{6(PDF)} However, 190 of the beds were occupied by court-ordered forensic patients who had criminal charges, and another 177 beds were occupied by court-ordered sexual predators; this left only 90 beds for possible admissions. And in many state hospitals such beds are used only for brief hospitalizations, leaving no alternatives for patients who need longer periods for stabilization.

As La and colleagues point out, other measures can be taken to decrease the need for psychiatric beds. Such measures include assertive community treatment and the use of assisted outpatient treatment (AOT) to ensure medication adherence. Studies of AOT have shown that it results in a dramatic decrease in psychiatric rehospitalization.⁷

It is very clear that the more effective the outpatient services, the less need for psychiatric hospitalization. But despite the best outpatient efforts, some severely ill

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patients will continue to need the ultimate safety net of the state psychiatric hospital. It is important that we recognize that fact and establish a minimum standard for how many psychiatric beds are needed.

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DISCLOSURES

Dr Torrey is a research psychiatrist who specializes in schizophrenia and bipolar disorder. He is founder of the Treatment Advocacy Center and Associate Director of the Stanley Medical Research Institute, which supports research on schizophrenia and bipolar disorder, and he is Professor of Psychiatry at the Uniformed Services University of the Health Sciences in Bethesda, MD.

EDITOR'S NOTE: Readers are invited to comment on our website. Please adhere to our editorial request to leave your full name and professional title at the end of your comment.

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Editor's note: We invite you to read Dr Torrey's recent essay "Fraud, Waste, and Excess Profits" on www.PsychiatricTimes.com.

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When acute and chronic mental health problems are on the increase, it is the silliest thing to reduce the bed capacity either in state/public hospitals or in private sector. Deinstitutionalization failed in USA due to alternative services were not in place. Mental health patients rights need to be protected and they deserve a humane treatment at places equipped with basic facilities and human resources, a minimum requirement to maintain decency and respect for mentally ill patients and their caregivers.

Naseem @ Mon, 2016-02-29 02:26

reply

I'm a Registered Nurse working in a Forensic Mental Health Unit in New Zealand. Mental health bed shortage is world wide trend. We tend to be the poor cousin of health services so when health cuts are needed our heads/bed numbers seem to be on the chopping block. I would love to know how my government works out the required number of mental health bed per head of population. Being a locked Forensic unit we often get the over flow or the too hard to handle individuals which is wrong. This in turn effects how my unit functions. Bed shortages throughout the western world is going to continue, particularly now with the influx of refugees.

Karin @ Sun, 2016-02-26 16:32

reply

Reagan also changed our paradigm for treating the chronic severely mentally ill. We used to house them in huge state facilities behind locked gates where they got minimal care and weren't allowed out. Now we house them under bridges, in alleys and doorways, where they are free to freeze to death in the winter or die of cirrhosis or pneumonia. It's so much more humane now that we don't deny them their freedom.

Peter @ Sat, 2016-02-27 23:13

reply

Re freedom and closing state hospitals-NOT the psychiatrists' doing!!

Peter @ Sat, 2016-02-27 23:14

reply

The trans-institutionalization of our mental health system has a long and tragic history. Let's not traffic in urban myths as "Regan changed our paradigm for treating the chronic severely mentally ill."

The record reflects America's fundamental paradigm change occurred with President Kennedy's 1963 "Community Mental Health Act" and President Johnson's persuasion of Congress to instigate his "Great Society Programs," i.e. Medicare and Medicaid.

Pedaling in political palaver will not fix America's broken mental health system. One can read historical government documents and observe their presentations to Congress on the Internet to verify events for accuracy; urban myths just cloud judgment and decision-making.

William @ Wed, 2016-03-02 12:10

reply

I work in Cleveland, Ohio and I have seen psychiatric care change over the years from a hospital based system, where private hospitals refused Medicaid, to a community based system in which fewer and fewer patients are hospitalized, for fewer days and private hospitals have a vast majority of available beds. I work in an integrated behavior health care program in a FQHC doing counseling. This is the third innovative program in which I have worked. One was Permanent Supported Housing, which moved people who were chronically homeless directly into affordable housing with services. We kept a lot of people out of hospitals for all kinds of chronic health issues. Thanks to the Medicaid expansion, we can bring behavioral health to primary care where we can

SHARE: see people who formerly could access counseling only when they

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became so dangerously ill they presented at the ED. I see people with all diagnoses, including schizophrenia, but mostly chronic PTSD. So we have some prevention efforts and they really do work. But come the weekend in northern Ohio, psych intake workers all around the area are calling one another trying to find out what facility might have an acute adult psych bed available. We've had so many adult units closed over the past few years that the patients suffer.

Sua @ Sat, 2016-02-27 21:02

reply

A big reason is the insurance companies who have unrealistic criteria without regard for the treating physician's concerns or explanations

sobia @ Sat, 2016-02-27 18:23

reply

Under the auspices of the National Action Alliance for Suicide Prevention, in 2015 Dr. Mike Hogan and I co-lead a task force on the challenges of Emergency Departments and the lack of appropriate community-based psychiatric crisis care. We don't believe the answer is more inpatient acute care beds, but rather the implementation of innovative approaches currently being used in Georgia, Colorado and North Carolina. See the full report at <http://bit.ly/AACrisisHappensNow>.
David Covington, LPC, MBA
CEO & President, RI International and Co-lead National Action Alliance Crisis Services Task Force

David @ Sat, 2016-02-27 18:07

reply

We have the same problem in Australia although not as severe. Our wait times for a Psych bed don't seem to run to much more than a couple of weeks. However, the rapid discharge and warehousing in gaols is definitely here. Then, our bureaucrats are usually a little behind those of the USA and UK, and so I expect the problem will grow before change occurs.

Dr Ray Taylor
Consultant Psychiatrist
Adelaide, South Australia

Ray @ Sat, 2016-02-27 16:48

reply

Thank you, Dr. Torrey for your interesting analysis, also thanks to the contributors to this blog. I am a private practice mental health therapist. Both medical and mental health care is in total chaos and I hope we can all work together to improve this situation. I am convinced that we must stop pretending that mental health issues are a part of something outside the human condition. That is, we must once and for all eliminate the discrimination inherent in our society about mental illnesses, all of which reside in the same brain that we gladly treat for tumors, bleeding, strokes, MS, etc without a breath of discrimination. However, if a person has a mental condition outside of the pure Medical model, treatment can consist of riding around in the back of a police car until a bed or a cell becomes available. There should be a day when hospital and community care treat the human condition that presents itself, rather than looking for a mental health bed if mental illness is evident. Do you remember the concept of "parity" for mental health vs medical health? Parity is not the answer to the lack of mental health treatment, it is a further separation of a human being into prioritized categories of suffering, instead of an intention to treat the presenting condition without prejudice or a financial judgment of importance. The brain is part of the body after all, and if it is amenable to treatment for whatever is ailing it, be it a tumor or a psychosis, we must provide that treatment, and in fact we are capable of successfully treating mental conditions if we just choose to do so.

Roger @ Sat, 2016-02-27 15:33

reply

SHARE:

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We need to remove the patients that treat their stay at a mental facility as a "vacation" from the daily life and make room for those who are in distress and need immediate medical and physical help. One of the hospitals in CA that I visited the new people that were admitted weren't even told how to get the medication that was an option, but necessary, where to go to get it. I was appalled at the way that this facility was operated and would never send a patient here.

Pat @ Sat, 2016-02-27 17:07

reply

The "state" pays for psychiatric care, in-patient, through the mental health centers. These places don't want to waste money caring for patients because they need it for salaries and other administrative costs. They don't even take anymore the sickest patients because of the cost and time to care for them. So of course there are fewer beds because they are not used as they should be.

Mitchel @ Sat, 2016-02-27 15:29

reply

No room in the inn... or the out-patient facility, or anywhere for that matter except for the very affluent. Our neighborhood has two of the walking wounded who, in the old days, would have been warehoused (most likely) in a state facility. Are they any better off wandering the streets (one of them is called The Yeti by the neighborhood children) than they were before? Are we, as a society, willing to increase taxes to explore and implement some of the programs/solutions underway in the E.U.? Probably not - we seem to be in the grip of a psycho-social hallucination wherein the poor, the immigrants, the addicted and the deranged are freeloading on a small, well heeled but beleaguered minority of virtuous (proved by success) citizens who are unwilling to look out the window. I'm not optimistic

Alex @ Sat, 2016-02-27 15:20

reply

In many areas of "behavioral health" we do not have a social plan that meets the big picture or true needs of the community. Heaven help us if we talk about social programs as a part of socialism! Private companies and families can do the job better??? Yes, if you have insurance and can afford a well funded private program that makes a profit while assisting a client. That leaves most individuals under a freeway underpass.

We generalize solutions, then find the exceptions that do not meet the standard care or cost, leaving many outside the support network. There are lawsuits that restrict us for the benefit of one with an unique need not met or because someone was unable to give the help that was needed, most likely due to funding, training, or inadequate background check. Staffing any type of facility is difficult. Highly trained personnel should be paid well but are not. (psychiatrists are in high demand everywhere and often do not take insurance). If you do not have well educated and trained staff, good practice is harder to maintain as the numbers of patients increase and care is more limited. This is true in all medical fields. The middle men often control the access to treatment (insurance co or MediCal) without the variables of individual cases taken into account. One doctor or one nurse can not battle constantly with insurance co to provide the needed care. This creates burn out. Oversight is needed, but that should be a medical director(s) role, not the objective view of those trying to make a profit. Fiscal responsibility is necessary, but profit on peoples' illnesses is not. This leads back to a government run program, the very idea that upsets many people who are afraid of government run programs. If it is privately run, then someone is making a profit. So what government organization is left to do the job for those without income, insurance or legal representation---criminal justice and a patchwork of social programs for band-aide therapy and treatment.

On the prevention side, some families and individuals actually consider family histories, making tough decisions about child bearing and the

SHARE: number of children they have. They make hard decisions early for their

ATTACHMENT-21G

children with behavior disorders and help them through each available system—school, medical, private and public systems—if you have the financial means and the education, you understand the risks for your children and respond. For those that do not understand, have the adequate education or ability to understand, there are no choices. You are encouraged to have as many children as possible (no ins, no birth control, no abortion, and just saying no is not a real option...). With mental health issues in families (poor have more because they can not avoid it with other options in life) you have extremely stressful relationships, lose jobs, and housing. Then you find a better partner, have additional children, and give up the children that you can not control or care for to the foster system. Sometimes you never received help and regrettably do harm to the children you had hoped would give you a new future different than your own. Now we have a complication social, moral, ethical problem that needs addressing without sugar coating cause and effect. This is usually decided by politicians that have votes at stake, give a short term response, and none of the laws or regulations are reviewed, updated, or given one to one consideration, but jammed through with other laws and regulations just to get a piecemeal band aid to a real crisis. We are not going to solve the mental health problems without a serious view of the connecting problems in the criminal justice programs, the education/child welfare programs, how health care is given or not given, private companies that make money on these services (insurance, hospitals) vs public (all groups left to handle enormous case loads after the failure of other systems including families that are ideally expected to do the job in full for their own members).

We can add more psychiatric beds, yes, but will that really fix the problem? No. We are adding more homeless shelters, more prison space, more drug rehab, and the public schools are supposed to do more and more for seriously disturbed young people in old buildings, without sufficiently trained staff for psychiatric or criminal experience (they are educators and are trained to teach math and language arts—remember?). Someone recently thought teachers should teach substance abuse prevention. It is a short lesson in health curriculum now, but the ones that most need it walk out of class, fall asleep in class, and do not care if they flunk the class. The parents at this point, have no clue how to handle their children. We are back to the criminal justice system.....

How do we reduce the need for psychiatric care (beds in a hospital), provide the care when and how it is needed, and create a well functioning program for the majority of people who can not afford private care in a private hospital are the questions—not a isolated question about number of beds for psychiatric patients (or homeless, foster children, and criminals). We are talking about highly related, connected systems. We can not fix one without the other.

Karen @ Sat, 2016-02-27 11:57

reply

The New Asylums

50 years ago people were horrified that the mentally ill were being "warehoused" in mental institutions. So the government turned the mentally ill out to live in the street. Now we have come full circle and the mentally ill are being warehoused again, but this time in dangerous prisons.

The most vulnerable in our society have been completely abandoned by our society.

It appears that the lessons in humanity that people learned 150 years ago have been forgotten.

The country's three biggest jail systems—Cook County, in Illinois; Los Angeles County; and New York City—are on the front lines. With more than 11,000 prisoners under treatment on any given day, they represent by far the largest mental-health treatment facilities in the country. By comparison, the three largest state-run mental hospitals have a combined 4,000 beds.

"In every city and state I have visited, the jails have become the de facto mental institutions," says Estéban Gonzalez, president of the American Jail Association, an organization for jail employees...

Eileen @ Sat, 2016-02-27 10:14

reply

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It's an absolute shame how many psychiatric beds have been lost. The whole idea was to transition people with mental illness to community resources. This is not happening and people are falling through big cracks in our system. There is not enough funding or for that matter community resources. The future is very bleak and we wonder why there are so many suicides.

charlene @ Sat, 2016-02-27 09:47

reply

Heck in my area I would almost be happy to settle for early discharge. It is the inability to even admit patients to an in-patient unit that is a major problem. Also, the local hospitals that do have acute units are backed up because of the lack of state long-term units. It has become a little better recently, but the stay between being accepted to a state hospital and actually having a bed has averaged as much as 90 days in the last few years. In fact we have discharged patients and had them relapse in this waiting time.

Kurt @ Sat, 2016-02-27 09:49

reply

Why are we advocating for expanding state hospitals instead of community services?

paula @ Sat, 2016-02-27 14:07

reply

Have there been studies to ascertain whether this statement is accurate? Psychiatry beds are a moneylosing proposition for hospitals. Therefore psychiatric beds are gradually eliminated since procedures bring in more money. Our system devalues the one to one treatment necessary for psychiatric illness, whether outpatient or inpatient. That costs a lot of money.

Leon @ Sat, 2016-02-27 09:40

reply

I would agree with this article. There is a missing piece of care that is evident in all health care systems in the world. The community mental health support system is the piece. Some places do have this piece, but funding, understanding and support is extremely inadequate. It is a specialty and requires trained and educated individuals. It requires all social structure, educational structure, health and financial structure, housing programs to work together in an interdisciplinary and creative way. It's tertiary prevention. It reduces hospitalization and costs to society. It provides support to people living with mental illness and promotes independence and consequently improved health.

Brenda E @ Sat, 2016-02-27 09:26

reply



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A Review of the Literature

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X

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History of
Certificate of Need Applications
(Listing)

PROJECT ID	FAC NAME	FAC CITY	PDESCRPT	APP RECVD	INCOMPLETE	COMPLETE	WITHDRAWN	ITD	PERMITDATE
79-088	ST. THERESE - WAUKEGAN	WAUKEGAN	CONSTRUCT 1,000 STALL PARKING FACILITY, PROFESSIONAL OFFICE CONNECTING TUNNEL & BRIDGES	18-May-79					06-Jul-79
79-089	ST. THERESE - WAUKEGAN	WAUKEGAN	CONSTRUCT EMERGENCY OUTPATIENT CLINIC	18-May-79					06-Jul-79
79-090	ST. THERESE - WAUKEGAN	WAUKEGAN	PURCHASE NEW TELEPHONE SYSTEM	18-May-79					06-Jul-79
79-237	ST. THERESE - WAUKEGAN	WAUKEGAN	ESTABLISH 10 BED HOSPICE, -10 PSYCHIATRIC BEDS.	27-Aug-79			03-Dec-79		
79-321	ST. THERESE - WAUKEGAN	WAUKEGAN	MAJOR EXPANSION/MODERNIZATION	28-Dec-79				04-Sep-80	09-Jan-81
80-165	ST. THERESE - WAUKEGAN	WAUKEGAN	PURCHASE CT WHOLE BODY SCANNER	18-Dec-80			22-Apr-81		
81-101	ST. THERESE - WAUKEGAN	WAUKEGAN	PURCHASE TCT WHOLE BODY SCANNER	24-Jun-81					08-Jan-82
84-061	ST. THERESE - WAUKEGAN	WAUKEGAN	DISCONTINUE 31 MS BEDS AND 16 PED BEDS; ESTABLISH 40 BED SKILLED CARE SERVICE	07-May-84					02-Aug-84
86-008	ST. THERESE - WAUKEGAN	WAUKEGAN	DISCONTINUE 30 M/S, ESTABLISH AN 18 BED ADOLESCENT AMI UNIT.	16-Jan-86		12-Mar-86	13-Jun-86		
86-024	ST. THERESE - WAUKEGAN	WAUKEGAN	CONVERT 16 LTC BEDS TO 15 REHAB. BEDS.	13-Feb-86			17-Sep-86		
86-094	ST. THERESE - WAUKEGAN	WAUKEGAN	CT SCANNER.	12-May-86					04-Sep-86
87-170	ST. THERESE - WAUKEGAN	WAUKEGAN	CONVERT 16 LTC BEDS TO 15 REHAB BEDS.	30-Jul-87				05-Feb-88	08-Apr-88
89-055	ST. THERESE - WAUKEGAN	WAUKEGAN	ESTABLISH CARDIAC CATHETERIZATION LAB.	24-Apr-89		01-May-89		04-Jul-89	21-Sep-89
89-131	ST. THERESE - WAUKEGAN	WAUKEGAN	CONSTRUCT MEDICAL OFFICE BUILDING.	27-Oct-89		08-Nov-89	11-Jul-92		11-Jan-90
92-181	ST. THERESE - WAUKEGAN	WAUKEGAN	MODERNIZATION AND EXPANSION OF SURGICAL SERVICES.	18-Nov-92					18-Feb-93
95-067	ST. THERESE - WAUKEGAN	WAUKEGAN	EST 7 BED POST-SURGICAL RECOVERY CARE CENTER.	12-May-95		12-May-95		10-Aug-95	02-Nov-95
03-004	PROVENA SAINT THERESE MEDICAL CENTER	WAUKEGAN	Discontinue 25-bed general long-term care category of service.	04-Feb-03		19-Feb-03			01-May-03
04-089	PROVENA SAINT THERESE MEDICAL CENTER	WAUKEGAN	Discontinue Med/Surg, Peds, OB, ICU and Cardiac cath.	10-Nov-04	14-Jan-05	14-Jan-05			23-Jun-05

Source: Don Williams, HFSRB FOIA Request for CON History

History of
Certificate of Exemption Applications
(Listing)

DATE REC'D	EXEMPTION	FACNAME1	CITY STATE	TYPE EXEMP	DESCRIPT	L ENTITY
12-Mar-99	E-008-99	Provena Saint Therese Medical Center	Waukegan, IL	CHANGE OF OWNERSHIP	HOSPITAL	Victory/Saint Therese Enterprises, Inc., 2615 Washington Street, Waukegan, IL.
29-Jan-04	E-002-04	Saint Therese Medical Center	Waukegan, IL	CHANGE OF OWNERSHIP	HOSPITAL	Vista Health and Victory Health Services
10-Sep-97	E-071-97	Saint Therese Medical Center	Waukegan, IL	CHANGE OF OWNERSHIP	HOSPITAL	New Hospital Company (as yet Unnamed), 9223 West Saint Francis Road, Frankfort, IL.
10-Feb-06	E-008-06	St. Therese Medical Center	Waukegan, Illinois	CHANGE OF OWNERSHIP	HOSPITAL	Waukegan Illinois Hospital Company, LLC -Community Health Systems Professional Services Corporation, 7100 Commerce Way, Suite 100, Brentwood, TN 37027.
18-Sep-15	E-027-15	Vista Medical Center West	Waukegan, Illinois	CHANGE OF OWNERSHIP	HOSPITAL	Quorum Health Corporation, 4000 Meridian Boulevard, Franklin, Tennessee 37067.

Source: Don Williams, HFSRB FOIA Request COE History

US HealthVest

September 12, 2017

Ms. Courtney Avery
Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

Re: Vista Medical Center West - Physical Plant Condition

Dear Ms. Avery,

This letter serves to provide details on the existing condition of Vista Medical Center West's Physical Plant.

We evaluated feasibility to renovate a portion of the exiting hospital with the goal to establish a new 146 bed Behavioral Hospital. After considering existing building physical constraints and deficiencies, we identified numerous challenges, operational and financial, that make the renovation very costly.

The following significant challenges were evaluated:

1. Existing 330,000 sf building is significantly bigger than estimated area of 87,000 sf required to establish 146 Behavioral Health Hospital. Continuing life safety compliance and maintenance of excess spaces is costly.
2. Currently only 20% of the building is covered with fire suppression system. New project would require 100 % coverage.
3. Uninterrupted operation of existing 46 AMI beds located on the 3rd floor will create operational challenges and patient safety concerns. Construction would be ongoing above and below occupied floor. Numerous mechanical, electrical and plumbing systems would require frequent shutdowns and temporary setups. Patient access to amenities outside of their floor (dining, courtyards) will not be possible. Maintaining life safety measures would cause additional concern.
4. Temporary relocation of AMI beds within the building or offsite is not possible due to unique nature of this service and would require a separate renovation project.
5. Current AMI beds (Children's and Adult units) have lack of social and therapy spaces, no showers in the rooms and numerous patient safety concerns including poor lines of sight for supervision. Renovation of the 3rd floor will be required as well.
6. There is a presence of asbestos in the building. This will require full abatement prior to any construction.

7. Based on the MEP infrastructure assessment most of the major equipment and associated piping is well past the useful life expectancy date. Some of the equipment is in disrepair, rusted and in some cases abandoned. Sanitary system and lift station have continuous problems and domestic water system is rusted and has multiple leaks. Renovation will require complete replacement of all major equipment creating additional challenges for ongoing occupancy.
8. Water penetration is evident around windows and through the roof. Full replacement of all roofs and windows is required.
9. Hospital main entrance is located remotely from the tower area and would potentially be demolished to reduce excessive space and create closer access to behavioral areas. This in turn would require added costs of new site work, access, entrance and new lobby.

Sincerely,

A handwritten signature in black ink, appearing to read 'Miro Petrovic', with a long horizontal flourish extending to the right.

Miro Petrovic
Executive Vice President
Architect
US HealthVest

MP/mp



Vista Health System's psychiatry service line has been trending at 50% utilization for a number of reasons. First, the physical Vista West building limits its practical operations. Certain deficiencies relate to the age of the building and some of these make the physical environment less appealing for patients and staff. Given the age of the building and the size of the unit, the Hospital does not actively market the psychiatry unit, and can only take a small number of referrals from other area facilities. Also, the majority of the Hospital's admissions are sent by Vista East's emergency room and also by first responders bringing patients to the Hospital.

Along these lines, the Hospital has some difficulty attracting patients and recruiting physicians and staff for the service line. It is well known the Hospital's physical building is outdated and in need of repair. In today's environment both physicians and patients engage in more consumerism and choice regarding these issues, as well as staff. A well trained psychiatric nurse is hard to find, and area residents who might be potential employees have various options for employment. Vista West can be a difficult sell simply due to the physical environment. We can only accommodate patients up to the staffing level we are able to provide. A new/modernized hospital that is designed specifically for psychiatric care will be more attractive for psychiatric patient recruitment, referrals, staffing and patient satisfaction. It will result in enhanced utilization.

US HealthVest, LLC enters a market and determines what mental health needs are not being provided or inadequate for experienced demand. It offers a variety of programs and can tailor new programs around existing mental health demands. Programs that have been provided consist primarily of programs for adult psychiatric, Senior Adult, child and adolescent, women only, veterans, faith based and dual diagnosis patients. Each program will be separate from each other keeping children, women, veterans, and faith based patients apart and individual programming and treatment. Through these referrals and programs, the mental health and well-being for the population will be addressed.

In addition, we believe given the enhanced size and modernization by US HealthVest, it will market to other area providers of care and more patients will be referred to it. Further, it will operate a robust outpatient treatment service which will enhance utilization of the Hospital's inpatient beds, when required.

As a result of the above, we believe the utilization will support the beds requested.

Vista Medical Center East • Vista Medical Center West • Vista Ambulatory Care Center
Vista Freestanding Emergency Center • Vista Imaging Center • Vista MRI Institute
Vista Physical Medicine & Work Power Center
1324 North Sheridan Road, Waukegan, Illinois 60085 • 847-360-3000

ATTACHMENT-21J



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U.S. Psychiatric Patients Face Long Waits in ERs

1 in 5 emergency doctors reports waiting at least 2 days for a bed for someone who's mentally ill



By **Dennis Thompson**
HealthDay Reporter

MONDAY, Oct. 17, 2016 (HealthDay News) -- People with mental illness often wait long hours -- or even days -- in an emergency room before receiving the care they need, according to a new poll conducted by the American College of Emergency Physicians (ACEP).

One in five ER doctors polled said they've had psychiatric patients who needed hospitalization who had to wait two to five days before being assigned an in-patient bed, the poll found.

Two accompanying studies back up the poll results, revealing that patients with a wide array of mental health problems are more likely to wind up stuck in an emergency department for more than 24 hours.

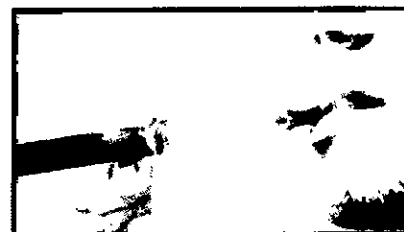
"Once the decision to admit is made, it can be nearly impossible to find an in-patient bed for these patients," ACEP President Dr. Rebecca Parker said during a news briefing.

Findings from the survey were scheduled to be presented Monday at ACEP's annual meeting in Las Vegas.

Mental health patients are languishing because cutbacks in mental health care have severely limited all options outside the ER, said Dr. Suzanne Catherine Lippert. She's an emergency medicine physician with Stanford University in Palo Alto, Calif.

"We have a potential perfect storm," said Lippert, the lead author of the two supporting studies. "We have decreasing psychiatric inpatient beds, insufficient accessible outpatient psychiatric centers for crisis stabilization, and increased emergency department crowding."

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ATTACHMENT-21K

As a result, Parker said, emergency room care is being delayed for all patients, and the ER itself is becoming "a dangerous place to work at times."

Parker added that "most of these patients are very sick. We only admit people that need care for being suicidal or homicidal or delusional. These people need that acute care in-patient bed, and the resources have just disappeared over the last 10 to 15 years."

Lippert said she started studying the problem after treating a suicidally depressed patient in the ER.

"I placed her on an involuntary hold and started the process of getting her admitted," Lippert said. "When I came back to a shift three days later, she was still there in our emergency department, which has no windows, artificial lighting and activity 24 hours a day. When I came back another three days later, she was still there."

Three-quarters of ER doctors said at least once a shift they see a patient who needs hospitalization for mental illness, according to the poll of more than 1,700 emergency physicians.

About half said that at least once a day, their emergency department winds up "boarding" a psychiatric patient who is awaiting admission to the hospital or transfer to another facility.

"The emergency department has become the dumping ground for these vulnerable patients who have been abandoned by every other part of the health care system," Parker said.

Nearly three in five doctors also reported increased wait times and boarding for children with psychiatric illnesses, the poll reported.

"This is truly heartbreaking," Parker said. "A gurney in an emergency department hallway is no place for any child, let alone a child with a psychiatric emergency."

In addition, only about 17 percent of doctors reported having a psychiatrist on call to respond to psychiatric emergencies in the emergency department, the poll results showed. About 12 percent said they have no one at all on call for mental health emergencies -- no social workers, psychologists, psychiatrists or other professionals.

Two studies highlighted at ACEP's annual meeting further explained the deteriorating network of support for patients with mental illness.

Patients with bipolar disorder, psychosis, depression, or a combination of two or more diagnosed psychiatric problems are at increased odds of being in the emergency department for more than 24 hours, Lippert and her colleagues found.

A patient with bipolar disorder was nearly four times more likely to stay in the ER more than 24 hours, Lippert said. Psychotic patients were about three times more likely to languish in the ER, and people with substance abuse and an accompanying psychiatric diagnosis were more than twice as likely to be stuck in the ER, the survey found.

"We're seeing almost across the board with more severe psychiatric illness, you're having increased odds of a much longer length of stay" in the ER, Lippert said. "Nowhere else in medicine do we have in the emergency department our most severely ill patients staying longest."

Another study provided more detail regarding the pressure that psychiatric patients are placing on hospitals and emergency departments. Researchers found that:

- 21 percent of psychiatric patients require admission to the hospital, compared with 13.5 percent of medical patients.
- 23 percent of psychiatric patients wait in the emergency department more than six hours, versus 10 percent of medical patients.
- 7 percent of psychiatric patients stay in the emergency department for more than 12 hours, versus just over 2 percent of medical patients.
- 11 percent of psychiatric patients wind up transferred to another facility, compared with 1.4 percent of medical patients.

Parker and Lippert said comprehensive mental health care reform is needed to ease the pressure on emergency rooms. Efforts to improve health insurance coverage of mental health care also could help.

More information



For more on mentally ill patients in the ER, visit the [National Alliance on Mental Illness](#).

SOURCES: Rebecca Parker, M.D., president, American College of Emergency Physicians;
Suzanne Catherine Lippert, M.O., emergency medicine physician, Stanford University, Calif.;
Oct. 17, 2016 presentation, American College of Emergency Physicians meeting, Las Vegas

Last Updated: Oct 17, 2016

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ATTACHMENT-21K

Administrative, Management and General Information			
ADMINISTRATOR NAME:	Anthony DeJoseph, Psy.D.	White	64.4%
ADMINISTRATOR PHONE:	647-788-5312	Black	24.8%
OWNERSHIP:	2014 Health, LLC	American Indian	0.1%
OPERATOR:	2014 Health, LLC	Asian	1.4%
MANAGEMENT:	For Profit Corporation	Hawaiian/Pacific	0.2%
CERTIFICATION:	(Not Answered)	Unknown	9.2%
FACILITY DESIGNATION:	Psychiatric Hospital	IOPH Number:	5934
ADDRESS:	555 Wilson Lane	HPA	A-07
		HSA	7
	CITY: Des Plaines	COUNTY:	Suburban Cook County

Facility Utilization Data by Category of Service									
Clinical Service	Authorized COH Beds 12/31/2015	Peak Beds Setup and Staffed	Peak Census	Admissions	Inpatient Days	Observation Days	Average Length of Stay	Average Daily Census	COH Occupancy Rate %
Medical/Surgical	0	0	0	0	0	0	0.0	0.0	0.0
0-14 Years									
15-44 Years									
45-64 Years									
65-74 Years									
75 Years +									
Pediatric	0	0	0	0	0	0	0.0	0.0	0.0
Intensive Care	0	0	0	0	0	0	0.0	0.0	0.0
Direct Admission									
Transfers									
Obstetric/Gynecology	0	0	0	0	0	0	0.0	0.0	0.0
Maternity									
Clean Gynecology									
Neonatal	0	0	0	0	0	0	0.0	0.0	0.0
Long Term Care	0	0	0	0	0	0	0.0	0.0	0.0
Swing Beds									
Acute Mental Illness	125	81	77	1,700	18,742	0	11.0	51.3	41.1
Rehabilitation	0	0	0	0	0	0	0.0	0.0	0.0
Long-Term Acute Care	0	0	0	0	0	0	0.0	0.0	0.0
Dedicated Observation	0								
Facility Utilization	125			1,700	18,742	0	11.0	51.3	41.1

Inpatient and Outpatient Net Revenue by Payer Source							
	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Charity Care	Totals
Inpatients	398	982	0	315	5	4	1,700
Outpatients	62	81	0	18	0	1	162
Financial Year Reported:	1/1/2015 to	12/31/2015	Inpatient and Outpatient Net Revenue by Payer Source				
	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Totals	Charity Care Expense
Inpatient Revenue (\$)	25.1%	42.4%	0.0%	32.2%	8.2%	100.0%	20,300
	3,752,168	5,337,128	0	4,815,210	25,261	14,920,774	20,124
Outpatient Revenue (\$)	55.1%	35.5%	0.0%	9.4%	0.0%	100.0%	
	88,891	56,101	0	14,826	0	157,818	245
							0.1%

Birth Data			
Number of Total Births:	0		
Number of Live Births:	0		
Birth Rooms:	0		
Labor Rooms:	0		
Delivery Rooms:	0		
Labor-Delivery-Recovery Rooms:	0		
Labor-Delivery-Recovery-Postpartum Rooms:	0		
C-Section Rooms:	0		
C-Sections Performed:	0		
Newborn Nursery Utilization			
	Level I	Level II	Level III+
Beds	0	0	0
Patient Days	0	0	0
Total Newborn Patient Days	0	0	0
Laboratory Studies			
	Inpatient Studies	0	
	Outpatient Studies	0	
Studies Performed Under Contract		4,294	
Organ Transplantation			
	Kidney:	0	
	Heart:	0	
	Lung:	0	
	Heart/Lung:	0	
	Pancreas:	0	
	Liver:	0	
Total		0	

Surgical and Operating Room Utilization									
Surgical Specialty	Operating Rooms				Surgical Cases				Hours per Case
	Inpatient	Outpatient	Combined	Total	Inpatient	Outpatient	Total	Inpatient	Outpatient
Cardiovascular	0	0	0	0	0	0	0	0.0	0.0
Dermatology	0	0	0	0	0	0	0	0.0	0.0
General	0	0	0	0	0	0	0	0.0	0.0
Gastroenterology	0	0	0	0	0	0	0	0.0	0.0
Neurology	0	0	0	0	0	0	0	0.0	0.0
OB/Gynecology	0	0	0	0	0	0	0	0.0	0.0
Oral/Maxillofacial	0	0	0	0	0	0	0	0.0	0.0
Ophthalmology	0	0	0	0	0	0	0	0.0	0.0
Orthopedic	0	0	0	0	0	0	0	0.0	0.0
Otolaryngology	0	0	0	0	0	0	0	0.0	0.0
Plastic Surgery	0	0	0	0	0	0	0	0.0	0.0
Podiatry	0	0	0	0	0	0	0	0.0	0.0
Thoracic	0	0	0	0	0	0	0	0.0	0.0
Urology	0	0	0	0	0	0	0	0.0	0.0
Totals	0	0	0	0	0	0	0	0.0	0.0

SURGICAL RECOVERY STATIONS											
Stage 1 Recovery Stations					Stage 2 Recovery Stations						
8					0						
Dedicated and Non-Dedicated Procedure Room Utilization											
Procedure Type	Procedure Rooms				Surgical Cases		Surgical Hours		Hours per Case		
	Inpatient	Outpatient	Combined	Total	Inpatient	Outpatient	Inpatient	Outpatient	Total Hours	Inpatient	Outpatient
Gastrointestinal	0	0	0	0	0	0	0	0	0	0.0	0.0
Laser Eye Procedures	0	0	0	0	0	0	0	0	0	0.0	0.0
Pain Management	0	0	0	0	0	0	0	0	0	0.0	0.0
Cystoscopy	0	0	0	0	0	0	0	0	0	0.0	0.0
Multisource Non-Dedicated Rooms											
	0	0	0	0	0	0	0	0	0	0.0	0.0
	0	0	0	0	0	0	0	0	0	0.0	0.0
	0	0	0	0	0	0	0	0	0	0.0	0.0

Emergency/Trauma Care			
Certified Trauma Center	No		
Level of Trauma Service	Level 1	Level 2	
	(Not Answered)	Not Answered	
Operating Rooms Dedicated for Trauma Care	0		
Number of Trauma Visits:	0		
Patients Admitted from Trauma	0		
Emergency Service Type:	Stand-By		
Number of Emergency Room Stations	0		
Persons Treated by Emergency Services:	0		
Patients Admitted from Emergency:	0		
Total ED Visits (Emergency+Trauma):	0		
Free-Standing Emergency Center			
Beds in Free-Standing Centers	0		
Patient Visits in Free-Standing Centers	0		
Hospital Admissions from Free-Standing Center	0		
Outpatient Services Data			
Total Outpatient Visits	1,703		
Outpatient Visits at the Hospital Campus:	1,703		
Outpatient Visits Offsite/Off campus	0		
Cardiac Catheterization Labs			
Total Cath Labs (Dedicated+Non-Dedicated Labs):	0		
Cath Labs used for Angiography procedures	0		
Dedicated Diagnostic Catheterization Lab	0		
Dedicated Interventional Catheterization Labs	0		
Dedicated EP Catheterization Labs	0		
Cardiac Catheterization Utilization			
Total Cardiac Cath Procedures:	0		
Diagnostic Catheterizations (0-14)	0		
Diagnostic Catheterizations (15+)	0		
Interventional Catheterizations (0-14)	0		
Interventional Catheterizations (15+)	0		
EP Catheterizations (15+)	0		
Cardiac Surgery Data			
Total Cardiac Surgery Cases:	0		
Pediatric (0 - 14 Years):	0		
Adult (15 Years and Older):	0		
Coronary Artery Bypass Grafts (CABGs) performed of total Cardiac Cases:	0		

Diagnostic/Interventional Equipment			
	Owned	Contract	Examinations
General Radiography/Fluoroscopy	0	0	0
Nuclear Medicine	0	0	0
Mammography	0	0	0
Ultrasound	0	0	0
Angiography	0	0	0
Diagnostic Angiography	0	0	0
Interventional Angiography	0	0	0
Positron Emission Tomography (PET)	0	0	0
Computerized Axial Tomography (CAT)	0	0	0
Magnetic Resonance Imaging	0	0	0
Therapeutic Equipment			
	Owned	Contract	Treatments
Lithotripsy	0	0	0
Linear Accelerator	0	0	0
Image Guided Rad Therapy	0	0	0
Intensity Modulated Rad Therapy	0	0	0
High Dose Brachytherapy	0	0	0
Proton Beam Therapy	0	0	0
Gamma Knife	0	0	0
Cyber Knife	0	0	0

Source: 2015 Annual Hospital Questionnaire, Illinois Department of Public Health, Health Systems Development.

US HealthVest

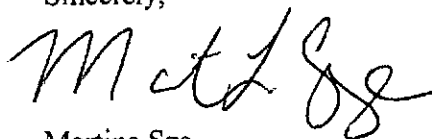
September 12, 2017

Ms. Courtney Avery
Administrator
Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

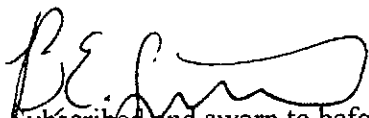
Dear Ms. Avery:

This letter attests to the fact that if this Project is approved by the Illinois Health Facilities and Services Review Board, Vista West Behavioral Hospital understands that it is expected to achieve and maintain the occupancy specified in §1110.730 (h) by the second year of operation after project completion. Our ability to maintain this occupancy level could be affected by various factors outside of our control, such as natural disasters, regulatory changes in healthcare, interruption of necessary utilities, physical plant problems, or other unexpected issues outside of our control which could have a direct or indirect effect upon our occupancy rate.

Sincerely,

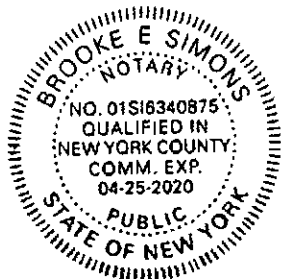


Martina Sze
Executive Vice President



Subscribed and sworn to before me
this 12th day of Sept., 2017

Notary Public



32 East 57th Street
17th Floor
New York, New York 10022
T 212.243.5565 · F 212.243.1099
www.ushealthvest.com

ATTACHMENT-21M

SECTION VIII – 1120.130 – FINANCIAL VIABILITY Continued i

Availability of Funds

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable: **Indicate the dollar amount to be provided from the following sources:**

- a. Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:

The Applicants will be funding this project with \$11,222,780 in cash and a construction loan and mortgage in the amount of \$18,969,400 from City Bank. Appended as **ATTACHMENT-34A** are three years of audited financial statements of **US HealthVest, LLC**, (Sole Corporate Member) illustrating available funds for this project.

- d. Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:

3. For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.;

Appended as **ATTACHMENT-34B** is the letter from Robert D. Kotarski, SVP, City Bank providing the estimated terms and conditions and financing commitment.

ATTACHMENT-34

US HealthVest

BEHAVIORAL HEALTHCARE REDEFINED

**Consolidated Audited Financial Statements
and Supplemental Information for
US HealthVest, LLC**

For the Years ended December 31, 2016 and 2015

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INDEPENDENT AUDITORS' REPORT

To the members of:
US HealthVest, LLC
New York, N.Y.

We have audited the accompanying consolidated financial statements of US HealthVest, LLC and subsidiaries, which comprise the balance sheet as of December 31, 2016 and 2015, and the related statements of operations, members' equity and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of US HealthVest, LLC, as of December 31, 2016 and 2015, and the results of their operations, changes in members' equity, and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Purchase, New York
February 25, 2017

US HealthVest, LLC

Consolidated Balance Sheets

<i>As of December 31,</i>	2016	2015
ASSETS		
Current Assets		
Cash and equivalents	\$ 64,182,652	\$ 10,824,507
Accounts receivable, net	3,750,201	3,834,931
Inventory	146,983	136,448
Prepaid expenses	799,246	550,020
Total Current Assets	68,879,082	15,345,906
Land, Property and Equipment, net	54,069,828	15,147,568
Other Assets		
Investment in future facilities	899,900	444,642
Other receivable and other assets	23,936	44,234
Goodwill	15,016,697	15,016,697
Total Other Assets	15,940,533	15,505,573
Total Assets	\$ 138,889,443	\$ 45,999,047
LIABILITIES AND MEMBERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 7,155,376	\$ 1,888,447
Accrued expenses	2,777,472	2,088,698
Retainage on Construction	1,762,362	-
Deferred Gain on Sale Leaseback, current portion	592,454	-
Capital Lease Payable, current portion	631,098	-
Note Payable, current portion	-	108,587
Financed insurance	227,542	165,342
Total Current Liabilities	13,146,304	4,251,074
Capital Lease Payable	19,043,016	-
Deferred Gain on Sale Leaseback, net of current	7,948,752	-
Note Payable, net of current	6,169,228	7,048,086
Financing Costs, net	(333,484)	(140,197)
Long term debt net of unamortized financing cost	32,827,512	6,907,889
Total Liabilities	45,973,816	11,158,963
MEMBERS' EQUITY	92,915,627	34,840,084
Total Liabilities and Members' Equity	\$ 138,889,443	\$ 45,999,047

See accompanying notes to the financial statements

US HealthVest, LLC

Consolidated Statements of Operations

<i>For the Years ended December 31,</i>	2016	2015
Revenues		
Net Patient Service Revenues	\$ 31,598,936	\$ 15,622,251
Other Revenue	1,697,612	1,375,051
Net Revenues	33,296,548	16,997,302
Operating Expenses		
Salaries and benefits	18,868,677	12,294,947
Professional fees	4,388,719	2,311,921
Supplies	1,437,340	967,231
Licenses, permits and fees	1,429,996	944,276
Contracted services	1,211,489	497,373
Bad debt expense	813,681	205,906
Property and business taxes	721,085	453,448
Travel and entertainment	710,814	614,349
Insurance	474,228	348,377
Utilities	351,755	253,618
Repairs and maintenance	325,967	212,848
Contracted labor	204,598	401,309
Rent	190,440	198,426
Recruiting costs	136,317	101,515
Other operating expenses	94,565	71,059
Computer and internet	91,254	46,734
Security	67,285	-
Advertising and marketing	46,146	24,869
Dues and subscriptions	18,518	8,608
Total Operating Expenses	31,582,874	19,956,814
Income (Loss) from Operations before other Items	1,713,674	(2,959,512)
Depreciation and amortization expense	(985,435)	(271,695)
Interest expense	(1,561,582)	(135,735)
Interest income	40,068	9,896
Net Loss	\$ (793,275)	\$ (3,357,046)

See accompanying notes to the financial statements

US HealthVest, LLC

Consolidated Statements of Members' Equity

For the years ended December 31, 2016 and 2015

Beginning Balance, January 1, 2015	\$ 27,697,130
Contributions from Members	10,500,000
Net loss for the year ended December 31, 2015	(3,357,046)
Balance, December 31, 2015	34,840,084
Contributions from Members	58,868,818
Net loss for the year ended December 31, 2016	(793,275)
Balance, December 31, 2016	\$ 92,915,627

See accompanying notes to the financial statements

US HealthVest, LLC

Consolidated Statements of Cash Flows

<i>For the years ended December 31,</i>	2016	2015
Cash Flows From Operating Activities		
Net Loss	\$ (793,275)	\$ (3,357,046)
Adjustments to Reconcile Net Loss to Net Cash		
Provided by Operating Activities:		
Depreciation and amortization	985,435	271,695
Interest expense associated with financing costs	154,596	8,685
Bad debt expense	813,681	205,906
Changes in Operating Assets and Liabilities:		
Increase in prepaid expenses	(249,226)	(82,663)
Increase in other receivable and other assets	(434,960)	(296,998)
Increase in accounts receivable	(728,951)	(3,201,540)
Increase in inventory	(10,535)	(2,315)
Increase in accounts payable and accrued expenses	5,955,703	2,496,426
Net Cash Flows Provided by (Used in) Operating Activities	5,692,468	(3,957,850)
Cash Flows From Investing Activities		
Capital expenditures	(39,907,595)	(7,859,676)
Increase in deferred gain on sale leaseback	8,541,206	-
Net Cash Flows Used in Investing Activities	(31,366,389)	(7,859,676)
Cash Flows From Financing Activities		
Contributed Capital	58,868,818	10,500,000
Increase (Decrease) in financed insurance	62,200	(2,130)
Advances from notes payable	6,169,228	7,156,673
Repayment of notes payable	(7,156,673)	-
Proceeds from capital lease	20,000,000	-
Repayment of capital lease	(325,886)	-
Increase in retainage	1,762,362	-
Financing Costs	(347,983)	(148,881)
Net Cash Flows Provided by Financing Activities	79,032,066	17,505,662
Net Increase In Cash	53,358,145	5,688,136
Cash at Beginning of Year	10,824,507	5,136,371
Cash at End of Year	\$ 64,182,652	\$ 10,824,507
Supplemental Disclosures		
Cash paid during the period for:		
Interest Expense	\$ 1,406,986	\$ 127,050

See accompanying notes to the financial statements

Note 1 – Summary of Accounting Policies

Organization and Business

US HealthVest, LLC (the Company) was formed under the laws of the State of Delaware on March 1, 2013. The purpose of the Company and its affiliates is to acquire and operate behavioral healthcare facilities throughout the United States. As of the balance sheet date the Company currently operated one facility located in Illinois.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in conformity with generally accepted accounting principles.

Principles of Consolidation

The consolidated financial statements include the activities of US HealthVest, LLC, and its subsidiaries, collectively referred to as "the Company". All material intercompany accounts and transactions have been eliminated.

The activities of 2014 Health, LLC, 2014 Health Realty, LLC, Vest Monroe, LLC, Vest Monroe Realty, LLC, V Colorado, LLC, RV Behavioral, LLC, RV Behavioral Realty, LLC, Vest Seattle, LLC, and Vest Seattle Realty, LLC collectively referred to as "affiliates" have been consolidated with the activities of US HealthVest, LLC and are presented in the statements of supplemental information.

Recent Developments

On November 3, 2014 the Company acquired the assets of Maryville Behavioral Health Hospital. The acquisition included a 125 bed hospital as well as the land on which the hospital is located in Des Plaines, Illinois. This hospital provides services to those suffering from mental health illnesses and chemical dependency. The activities of this operation from the date of acquisition through the end of the fiscal year are included in the consolidated financial statements.

In January 2014, US HealthVest received a Certificate of Need to develop a 75 bed hospital in Washington State. The hospital will be located in Marysville, a suburb of Seattle. In September 2014, the Company received a Certificate of Need for an additional 50 beds in Washington State, which was subsequently reduced to 40 beds (for a total of 115 beds) in February 2015.

In June 2014, US HealthVest received a Certificate of Need to develop a 70 bed hospital in Georgia. In June 2015, the Company acquired property including an existing hospital building and the land on which the hospital is located in Monroe, Georgia. During 2015 demolition and construction started on this property.

As of May 1, 2015 Chicago Behavioral Hospital was approved as a Medicare provider.

In January 2016, the renovation of the 3rd and 4th floors of Chicago Behavioral Hospital was completed, and the full 125 licensed beds became available. In November 2016, Chicago Behavioral Hospital received approval to increase its licensed bed count to 138 total beds.

Notes to Financial Statements

In June 2016, US HealthVest received a Certificate of Need to develop a 100 bed hospital in Northbrook, Illinois.

In June 2016, US HealthVest received a Certificate of Need to develop a 75 bed hospital in Newnan, Georgia.

In July 2016, US HealthVest received a Certificate of Need to develop a 75 bed hospital in Lacey, Washington.

Cash and Equivalents

The Company considers all short term investments with an original maturity of three months or less to be cash equivalents.

Accounts Receivable, Net Revenue and Cost Recognition

The Company recognizes revenues in the period in which services are performed. Accounts receivable consist primarily of amounts due from third-party payors. The amounts the Company receives for treatment of patients covered by governmental programs such as Medicare, Medicaid and other third-party payors such as health maintenance organizations, preferred provider organizations and other private insurers are generally less than the Company's established billing rates. Accordingly, the revenues and accounts receivable reported in the Company's consolidated financial statements are recorded at the net amount expected to be received.

Inventory - Supplies

Inventories consist of pharmaceutical supplies and are stated at the lower of cost or market using the first-in, first-out (FIFO) method.

Property and Equipment

Property and equipment are stated at cost. Maintenance and repairs are expensed in the period incurred; major renewals and betterments are capitalized. When items of property are sold or retired, the related costs are removed from the accounts and any gain or loss is included in income.

Property and Equipment are depreciated using straight-line depreciation methods over their estimated useful lives as follows:

Buildings and Improvements	39 years
Furniture and Equipment	5-7 years
Computer equipment and software	5 years

Allowance for Doubtful Accounts

The primary risk in patient receivables would be uninsured amounts owed by direct pay patients. The Company establishes an allowance for doubtful accounts for all accounts receivable over 180 days old, and continually monitors accounts receivable balances and utilizes cash collection data and historical trends to support this position. The allowance for doubtful accounts as of December 31, 2016 and 2015 was \$664,091 and \$173,944, respectively. The Company has also established an allowance for denials and administrative adjustments from payors in the amount of \$71,759 and \$244,838, as of December 31, 2016 and 2015, respectively.

Notes to Financial Statements

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash, cash equivalents and investments held in financial institutions. At times such balances may be in excess of Federal Deposit Insurance Company (FDIC) limits.

The Company's revenues are heavily related to patients participating in Medicaid, and Medicare. Management recognizes that revenues and receivables from government agencies are significant to the Company's operations, but it does not believe that there is significant credit risk associated with these government agencies.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expenses amounted to \$46,146 and \$24,869 for the years ended December 31, 2016 and 2015, respectively.

Goodwill

Goodwill represents the amount of purchase price in excess of the fair value assigned to the underlying identifiable net assets in certain acquisitions. In accordance with FASB ASC 350-10, goodwill and indefinite-lived intangible assets are no longer amortized systematically, but subject to impairment annually. Management reviews the carrying value of goodwill on an annual basis in order to determine whether impairment has occurred. Impairments are based on several factors, including the Company's projection of future operating cash flows. As of December 31, 2016 the Company has not recognized impairment of goodwill.

Compensated Absences

The Company's employees earn paid time off hours ("PTO"), which can be used towards vacation, sick time and personal days off. Paid time off is earned depending on the length of service and job position. Employees can carryover no more than 80 PTO hours at year end. Accrued compensated absences as of December 31, 2016 and 2015 were \$331,846 and \$179,416, respectively.

Income Taxes

The Company is organized as a Limited Liability Company. In lieu of corporate taxes, the members of a Limited Liability Company are taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability for federal or state income taxes has been included in the financial statements. The Company's income tax returns are subject to examination by the appropriate tax jurisdictions for a period of three years from when they are required to be filed.

Notes to Financial Statements

The Company reviews and assesses its tax positions taken or expected to be taken in tax returns. Based on this assessment, the Company determines whether it is more likely than not that the positions would be sustained under examination by the tax authorities. The Company's assessment has not identified any significant positions that it believes would not be sustained under examination.

Acquisitions, Business Combinations

In accordance with ASC 805, the company accounts for business combinations using the acquisition method and accordingly, the identifiable assets acquired, and the liabilities assumed are recorded at their acquisition date fair values. Goodwill represents the excess of the purchase price over the fair value of net assets, including the amount assigned to identifiable intangible assets.

Note 2 – Investment in Future Facilities

The Company is in the process of establishing new psychiatric facilities. Amounts invested toward the future purchase or lease of these facilities as of December 31, 2016 and 2015 were as follows:

<i>As of December 31,</i>	2016	2015
Phoenix	\$ -	\$ 150,000
Seattle	-	294,642
Newnan, GA	249,900	-
Smyrna, GA	250,000	-
Lacey, WA	400,000	-
Total	\$ 899,900	\$ 444,642

Note 3 - Property and Equipment

The major classifications of property and equipment are as follows:

<i>As of December 31,</i>	2016	2015
Land	\$ 2,825,000	\$ 2,125,000
Buildings and Improvements	21,974,169	8,965,883
Furniture, Fixtures and Equipment	1,535,698	413,366
Computer Equipment and Software	599,556	428,295
Construction in progress	28,256,489	3,531,033
Total Land, Property, and Equipment	55,190,912	15,463,577
Less Accumulated Depreciation	(1,121,084)	(316,009)
Land, Property and Equipment, net	\$ 54,069,828	\$ 15,147,568

Note 4 – Retainage on Construction

The Company withholds from contractors, a portion of payments due in connection with construction in progress ranging from 5% to 10%. Upon completion of work, and final inspections, retainage is released to the respective contractors. As of December 31, 2016 total retainage due to contractors was \$1,762,362.

Notes to Financial Statements

Note 5 – Financed Insurance

During 2015 The Company financed its auto, crime, general, malpractice, and flood insurance premiums through IPFS Corporation. Total premiums on these policies were \$275,568. Of this amount, \$206,676 was financed and was payable in ten equal monthly installments of \$20,667, including finance charges at 4.48%. As of December 31, 2015 the remaining balance on this agreement was \$165,342.

During 2016 The Company financed its auto, crime, general, malpractice, and flood insurance premiums through Premium Assignment Corporation. Total premiums on these policies were \$381,598. Of this amount, \$286,123 was financed and was payable in ten equal monthly installments of \$29,291, including finance charges at 5.14%. As of December 31, 2016 the remaining balance on this agreement was \$227,542.

Note 6 – Notes Payable

On May 29, 2015, 2014 Health Realty, LLC secured financing through a note payable with City Bank. The initial twelve month term has a maximum drawdown of \$7,500,000. The note carries interest at prime plus 75 basis points with a floor of 4.75%. During the drawdown period payments are interest only. After the initial twelve month period the note converts to a nine year term loan, amortized over 20 years. This loan is collateralized by the real estate owned by 2014 Health Realty, LLC. As of December 31, 2015 the outstanding balance on this note was \$7,156,673. This note was repaid in May 2016 as part of a sale leaseback transaction detailed in Note 8.

On August 5, 2016, Vest Monroe, LLC and Vest Monroe Realty, LLC entered into a construction loan agreement with City Bank, with a maximum drawdown amount of \$14,860,000. The note is payable over 10 years, the first 18 months consist of interest only payments followed by 102 monthly payments based on a twenty year amortization with a balloon payment due at maturity. This note carries interest at prime plus 0.75% with a floor of 4.75%. The note is collateralized by the real estate owned by Vest Monroe Realty, LLC. As of December 31, 2016 the Company had drawn \$6,169,228 on this note.

Note 7 – Financing Costs

Financing costs in connection with the City Bank loans are amortized over 10 years using the straight line method. In accordance with ASC 835-30-45, the Company has presented the unamortized portion of these costs as a reduction to long term debt on the balance sheet. Net financing costs as of December 31, 2016 and 2015 were as follows:

<i>As of December 31,</i>	2016	2015
Financing Costs	\$ 347,983	\$ 148,881
Less: Accumulated Amortization	(14,499)	(8,684)
Closing Costs, net	\$ 333,484	\$ 140,197

Notes to Financial Statements

Note 8 – Capital Lease and Sale Leaseback

In January 2016, the Company closed on a \$12,500,000 loan from a publicly-traded REIT, carrying interest at 11%. The loan had a one year term with an option to purchase the building during the term for \$20,000,000. In May 2016, this option was exercised, and the proceeds from the sale paid off the \$12,500,000 loan in addition to the remaining balance on the \$7,500,000 City Bank Loan. The Company is leasing the premises from the purchaser and is treating the lease as a capital lease from a sale-leaseback transaction. The amount due under this capital lease as of December 31, 2016 is \$19,674,114.

The following is a schedule of future minimum lease payments under the capital lease as of December 31, 2016:

For the year ending December 31, 2017	\$ 1,763,832
For the year ending December 31, 2018	1,960,610
For the year ending December 31, 2019	1,999,825
For the year ending December 31, 2020	2,039,820
For the year ending December 31, 2021	2,080,616
Thereafter	21,746,121
	<u>31,590,824</u>
Less amounts representing interest	<u>(11,916,710)</u>
Total	<u>\$ 19,674,114</u>

The book value of assets held under this lease was as follows:

<i>As of December 31,</i>	<i>2016</i>
Buildings and Improvements	\$ 20,000,000
Less Accumulated Depreciation	<u>(777,778)</u>
Net Book Value	<u>\$ 19,222,222</u>

The Sale Leaseback transaction also resulted in a deferred gain on the difference between the carrying value of the assets at the time of sale and the selling price in the amount of \$8,886,804. This deferred gain is amortized on a straight line basis over 15 years as a reduction to the depreciation expense associated with the property held under the capital lease. As of December 31, 2016 the remaining deferred gain was \$8,541,206.

Note 9 – Retirement Plan

The Company maintains a 401(k) retirement plan ("the Plan") for all eligible employees over 21 years of age with at least five months of service. Participants can contribute a percentage of their compensation up to a maximum deferral of 85% (subject to limits) and receive a matching employer contribution of 100% of deferrals up to 3% of compensation, and 50% of deferrals for the next 2% of compensation. Participants may also receive a discretionary employer matching contribution at the discretion of the Company's Board of Directors. The Company incurred expenses of \$124,696 and \$96,920 in 2016, and 2015, respectively.

Notes to Financial Statements

Note 10 – Contributions from Members

During 2016, the Company received contributions from members totaling \$9,000,000 for 5,767,380 Series A-3 Preferred Units. In addition, the Company received contributions from members totaling \$50,000,000 for 26,929,067 Series B Preferred Units. These contributions are reflected on the balance sheet of the Company net of associated legal fees in the amount of \$131,182.

During 2015, the Company received contributions from members totaling \$10,000,000 for 8,039,871 Series A-2 Preferred Units. In addition, the Company received a capital contribution of \$500,000 for an additional 401,994 Series A-2 units.

Note 11 – Operating Lease of Facilities

The Company leases through an unrelated third party, an administrative office located in New York. The lease was assigned from a former entity of common ownership with an initial lease term of ten years, expiring October 31, 2019. Rent expense for the years ended December 31, 2016 and 2015 was \$160,651 and \$183,501, respectively.

Future minimum rental payments under this lease commitment are as follows:

December 31, 2017	199,217
December 31, 2018	205,193
December 31, 2019	175,248
Total	\$ 579,658

In addition, the Company was under an Option Agreement with an unrelated third party to purchase land in Marysville, Washington. Under this agreement, the Company paid the land owner \$5,600 per month through June 2015. During the year ended December 31, 2015, these payments had been classified as rent in the amount of \$33,600.

Note 12 – Acquisitions

During 2015, the Company acquired property including an existing hospital building, and the land on which it is located, in Monroe, Georgia. The purchase price of the property was allocated to assets based on their estimated fair values as follows:

Building	\$ 1,925,000
Land	825,000
Acquisition Costs	90,087
Total Purchase Price and Acquisition Costs	\$ 2,840,087

Note 13 – Related Party Transactions

As of December 31, 2016, 2014 Health Realty, LLC was due \$7,152,339 from Chicago Behavioral Hospital (its related entity) for rent and miscellaneous operating expenses. This intercompany receivable is eliminated upon consolidation of the financial statements.

As of December 31, 2016, US HealthVest, LLC was due \$159,650 from 2014 Health Realty (its related entity) for fees paid in connection with the closing of the City Bank loan. This intercompany receivable is eliminated upon consolidation of the financial statements.

As of December 31, 2016, Chicago Behavioral Hospital was due \$3,556,079 from US HealthVest, LLC (its related entity) for miscellaneous operating expenses. This intercompany receivable is eliminated upon consolidation of the financial statements.

As of December 31, 2016, Chicago Behavioral Hospital was due \$11,020 from Vest Monroe Realty (its related entity) for miscellaneous operating expenses. This intercompany receivable is eliminated upon consolidation of the financial statements.

As of December 31, 2016, US HealthVest, LLC was due \$427,635 from Vest Monroe (its related entity) for miscellaneous operating expenses and capital spending. This intercompany receivable is eliminated upon consolidation of the financial statements.

As of December 31, 2016, US HealthVest, LLC was due \$8,215,744 from Vest Monroe Realty (its related entity) for miscellaneous operating expenses and capital spending. This intercompany receivable is eliminated upon consolidation of the financial statements.

As of December 31, 2016, Vest Monroe Realty, LLC was due \$1,042,815 from Vest Monroe (its related entity) for miscellaneous operating expenses and capital spending. This intercompany receivable is eliminated upon consolidation of the financial statements.

As of December 31, 2016, RV Behavioral, LLC was due \$1,000 from RV Behavioral Realty (its related entity) for the funding of its bank account. This intercompany receivable is eliminated upon consolidation of the financial statements.

As of December 31, 2016, Vest Seattle, LLC was due \$1,000 from Vest Seattle Realty (its related entity) for the funding of its bank account. This intercompany receivable is eliminated upon consolidation of the financial statements.

Note 14 – Subsequent Events

Subsequent events were evaluated through February 25, 2016, the date that the financial statements were available to be issued.

In January 2017, RV Behavioral, LLC acquired the assets of Ridgeview Institute, Inc., a 148 bed hospital in Smyrna, Georgia. Ridgeview has certificate of need approval for 216 total beds.

In January 2017, construction was completed on the hospital in Monroe, Georgia, and it was opened as Ridgeview Institute – Monroe.

Note 15 - Reclassifications

As stated in note 7, in accordance with ASC 835-30-45, the Company has presented the unamortized portion of financing costs as a reduction to long term debt on the balance sheet. As such, we have reclassified the unamortized portion of these costs in the prior year in order to conform to the current presentation. In addition, amortization expense associated with financing costs has been reclassified to interest expense on the statement of operations for the year ended December 31, 2015 in order to conform to current presentation.

Independent Auditors' Report on Supplemental Material

To the members of:
US HealthVest, LLC
New York, N.Y.

We have audited the consolidated financial statements of US HealthVest, LLC and subsidiaries as of and for the years ended December 31, 2016, and 2015, and our report thereon dated February 25, 2017, which expressed an unmodified opinion on those financial statements, appears on page 3. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information included in the following section is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual companies, and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Purchase, New York
February 25, 2017

US HealthVest, LLC

Consolidating Balance Sheet

As of December 31, 2016	US HealthVest LLC	V Colorado LLC	Vest Monroe, LLC	V Monroe Realty, LLC	2014 Health LLC	2014 Health Realty, LLC	RV Behavioral LLC	RV Behavioral Realty LLC	Vest Seattle, LLC	Vest Seattle Realty, LLC	Eliminations	Consolidated
ASSETS												
Current assets												
Cash and equivalents	\$ 27,779,926	\$ -	\$ 702,712	\$ 2,644,317	\$ 21,532,706	\$ -	\$ 11,512,288	\$ 940	\$ 8,823	\$ 940	\$ -	\$ 64,182,652
Accounts receivable, net	-	-	-	-	3,750,201	-	-	-	-	-	-	3,750,201
Inventory	-	-	-	-	146,983	-	-	-	-	-	-	146,983
Prepaid expenses	25,337	-	8,134	-	717,601	-	-	-	-	48,174	-	799,246
Due from parent/subsidiaries	5,246,950	-	-	1,042,815	-	7,152,339	1,000	-	1,000	-	(13,444,104)	-
Total current assets	33,052,213	-	710,846	3,687,132	26,147,491	7,152,339	11,513,288	940	9,623	49,114	(13,444,104)	68,879,082
Land, Property and equipment, net	38,941	-	661,894	15,531,621	20,165,595	-	-	-	162,474	17,489,303	-	54,069,828
Other Assets												
Investment in 2014 Health, LLC (CBH)	26,676,709	89,663	-	-	-	-	-	-	-	-	(26,766,372)	-
Investment in 2014 Health Realty, LLC	6,992,688	-	-	-	-	-	-	-	-	-	(6,992,688)	-
Investment in V Colorado, LLC	89,663	-	-	-	-	-	-	-	-	-	(89,663)	-
Investment in V Monroe, LLC	(325,260)	-	-	-	-	-	-	-	-	-	325,260	-
Investment in V Monroe Realty, LLC	2,658,714	-	-	-	-	-	-	-	-	-	(2,856,714)	-
Investment in RV Behavioral	11,763,288	-	-	-	-	-	-	-	-	-	(11,763,288)	-
Investment in RV Behavioral Realty	(60)	-	-	-	-	-	-	-	-	-	60	-
Investment in Vest Seattle	172,297	-	-	-	-	-	-	-	-	-	(172,297)	-
Investment in Vest Seattle Realty	16,881,165	-	-	-	-	-	-	-	-	-	(16,881,165)	-
Investment in future facilities	649,900	-	-	-	-	-	250,000	-	-	-	-	899,900
Other receivable and other assets	-	-	-	23,000	936	-	-	-	-	-	-	23,936
Goodwill	-	-	-	-	15,016,697	-	-	-	-	-	-	15,016,697
Total Other Assets	65,759,104	89,663	-	23,000	15,017,633	-	250,000	-	-	-	(65,198,867)	15,940,533
Total Assets	\$ 98,850,258	\$ 89,663	\$ 1,392,740	\$ 19,241,753	\$ 61,330,719	\$ 7,152,339	\$ 11,763,288	\$ 940	\$ 172,297	\$ 17,538,417	\$ (78,642,971)	\$ 138,889,443
LIABILITIES AND MEMBERS' EQUITY												
Liabilities												
Accounts payable	\$ 5,645,544	\$ -	\$ 217,105	\$ 1,186,622	\$ 106,105	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,155,376
Accrued expenses	289,088	-	19,425	25,900	2,430,141	-	-	-	-	12,918	-	2,777,472
Financed Insurance	-	-	-	-	227,542	-	-	-	-	-	-	227,542
Retainage	-	-	-	1,119,028	-	-	-	-	-	643,334	-	1,762,362
Due to parent/subsidiaries	-	-	1,461,470	8,215,745	3,585,239	159,650	-	1,000	-	1,000	(13,444,104)	-
Total current liabilities	5,934,632	-	1,718,000	10,547,295	6,349,027	159,650	-	1,000	-	657,252	(13,444,104)	11,922,752
Capital Lease	-	-	-	-	19,674,114	-	-	-	-	-	-	19,674,114
Unearned Profit on Sale Leaseback	-	-	-	-	8,541,206	-	-	-	-	-	-	8,541,206
Note Payable	-	-	-	6,169,228	-	-	-	-	-	-	-	6,169,228
Financing Costs, net	-	-	-	(333,484)	-	-	-	-	-	-	-	(333,484)
Total Liabilities	5,934,632	-	1,718,000	16,383,039	34,564,347	159,650	-	1,000	-	657,252	(13,444,104)	45,973,816
Members' Equity	92,915,626	89,663	(325,260)	2,658,714	26,766,372	6,992,689	11,763,288	(60)	172,297	16,861,165	(65,198,867)	92,915,627
Total Liabilities and Members' Equity	\$ 98,850,258	\$ 89,663	\$ 1,392,740	\$ 19,241,753	\$ 61,330,719	\$ 7,152,339	\$ 11,763,288	\$ 940	\$ 172,297	\$ 17,538,417	\$ (78,642,971)	\$ 138,889,443

See Independent Auditors' Report on Supplementary Information

US HealthVest, LLC

Consolidating Statement of Operations

<i>For the year ended December 31, 2016</i>	US HealthVest LLC	V Colorado LLC	V Monroe LLC	V Monroe Realty, LLC	2014 Health LLC	2014 Health Realty, LLC	RV Behavioral LLC	RV Behavioral Realty LLC	Vest Seattle, LLC	Vest Seattle Realty, LLC	Eliminations	Consolidated
Revenues:												
Net patient service revenue	\$ -	\$ -	\$ -	\$ -	\$ 31,598,936	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,598,936
Other revenue	-	-	-	-	1,697,612	460,417	-	-	-	-	(460,417)	1,697,612
Net Revenues	-	-	-	-	33,296,548	460,417	-	-	-	-	(460,417)	33,296,548
Operating expenses												
Salaries and benefits	4,026,175	-	245,049	-	14,597,453	-	-	-	-	-	-	18,868,677
Medical Professional fees	-	-	3,500	-	1,963,797	-	-	-	-	-	-	1,967,297
Other Professional Fees	2,209,780	-	43,785	5,671	161,224	250	-	-	-	712	-	2,421,422
Supplies	28,341	-	1,213	429	1,395,592	11,765	-	-	-	-	-	1,437,340
Licenses, permits and fees	128,826	-	4,550	1,794	1,292,006	-	-	-	-	2,820	-	1,429,996
Contracted Services	-	-	-	-	1,210,714	775	-	-	-	-	-	1,211,489
Bad debt expense	-	-	-	-	813,681	-	-	-	-	-	-	813,681
Property and business taxes	11,211	-	-	32,925	664,107	3,250	-	-	-	9,592	-	721,085
Travel and entertainment	618,435	-	1,928	-	88,472	-	-	-	-	1,979	-	710,814
Insurance	59,645	-	2,663	26,366	310,752	40,957	-	-	-	33,845	-	474,228
Telephone and Utilities	35,229	-	1,271	21,404	228,326	65,525	-	-	-	-	-	351,755
Repairs and maintenance	6,376	-	400	16,031	212,183	90,977	-	-	-	-	-	325,967
Contracted labor	-	-	-	-	204,598	-	-	-	-	-	-	204,598
Rent	163,069	-	711	1,800	485,277	-	-	-	-	-	(460,417)	190,440
Recruiting	5,077	-	4,216	-	125,990	-	-	-	1,034	-	-	136,317
Other operating expenses	30,468	-	1,060	2,130	60,375	-	234	60	178	60	-	94,565
Computer and internet	77,498	-	9,829	2,277	-	-	-	-	-	1,650	-	91,254
Security	-	-	-	67,285	-	-	-	-	-	-	-	67,285
Advertising and marketing	55	-	1,173	-	42,542	-	-	-	-	2,376	-	46,146
Dues and Subscriptions	13,681	-	3,912	315	-	-	-	-	280	330	-	18,518
Total operating expenses	7,413,866	-	325,260	178,427	23,857,089	213,499	234	60	1,492	53,364	(460,417)	31,582,874
Operating Profit (Loss)	(7,413,866)	-	(325,260)	(178,427)	9,439,459	246,918	(234)	(60)	(1,492)	(53,364)	-	1,713,674
Other income (expenses):												
Equity in net income of subsidiaries	6,598,824	73,149	-	-	-	-	-	-	-	-	(6,671,973)	-
Depreciation and amortization	(14,780)	-	-	-	(895,115)	(75,540)	-	-	-	-	-	(985,435)
Interest expense from financing costs	-	-	-	(14,499)	-	(140,097)	-	-	-	-	-	(154,596)
Interest income, net of expense	36,546	-	-	(58,520)	(1,229,411)	(119,055)	3,522	-	-	-	-	(1,366,918)
Total other expenses	6,620,590	73,149	-	(73,019)	(2,124,526)	(334,692)	3,522	-	-	-	(6,671,973)	(2,506,949)
Net Income (Loss)	\$ (793,276)	\$ 73,149	\$ (325,260)	\$ (251,446)	\$ 7,314,933	\$ (87,774)	\$ 3,288	\$ (60)	\$ (1,492)	\$ (53,364)	\$ (6,671,973)	\$ (793,275)

See Independent Auditors' Report on Supplementary Information

US HealthVest, LLC

Consolidating Statement of Members' Equity

<i>For the year ended December 31, 2016</i>	US HealthVest LLC	V Colorado LLC	V Monroe LLC	V Monroe Realty, LLC	2014 Health LLC	2014 Health Realty, LLC	RV Behavioral LLC	RV Behavioral Realty LLC	Vest Seattle, LLC	Vest Seattle Realty, LLC	Eliminations	Consolidated
Beginning Balance, January 1, 2016	\$ 34,840,084	\$ 16,514	\$ -	\$ 3,110,160	\$ 19,451,439	\$ 7,080,463	\$ -	\$ -	\$ -	\$ -	\$ (29,658,576)	\$ 34,840,084
Contributions from Members	58,868,818	-	-	-	-	-	11,760,000	-	173,789	16,934,529	(28,868,318)	58,868,818
Net Income (Loss)	(793,276)	73,149	(325,260)	(251,446)	7,314,933	(87,774)	3,288	(60)	(1,492)	(53,364)	(6,671,973)	(793,275)
Balance, December 31, 2016	\$ 92,915,626	\$ 89,663	\$ (325,260)	\$ 2,858,714	\$ 26,766,372	\$ 6,992,689	\$ 11,763,288	\$ (60)	\$ 172,297	\$ 16,881,165	\$ (65,198,867)	\$ 92,915,627

See Independent Auditors' Report on Supplementary Information

US HealthVest, LLC

Consolidating Statement of Cash Flows

<i>For the year ended December 31, 2016</i>	US HealthVest LLC	V Colorado LLC	V Monroe LLC	V Monroe Realty, LLC	2014 Health LLC	2014 Health Realty, LLC	RV Behavioral LLC	RV Behavioral Realty LLC	Vest Seattle, LLC	Vest Seattle Realty, LLC	Eliminations	Consolidated
Cash Flows From Operating Activities												
Net Income (Loss)	\$ (793,276)	\$ 73,149	\$ (325,260)	\$ (251,446)	\$ 7,314,933	\$ (87,774)	\$ 3,288	\$ (60)	\$ (1,492)	\$ (53,364)	\$ (6,671,973)	\$ (793,275)
Adjustments to Reconcile Net Loss to Net Cash												
Provided by Operating Activities:												
Depreciation and amortization	14,780	-	-	-	895,115	75,540	-	-	-	-	-	985,435
Interest in connection with financing costs	-	-	-	14,499	-	140,097	-	-	-	-	-	154,596
Bad debt expense	-	-	-	-	813,661	-	-	-	-	-	-	813,661
Changes in Operating Assets and Liabilities:												
Increase in prepaid expenses	66,628	-	(8,134)	-	(259,546)	-	-	-	-	(48,174)	-	(249,226)
Increase in other receivable and other assets	(175,838)	-	-	(23,000)	13,878	-	(250,000)	-	-	-	-	(434,960)
Decrease in accounts receivable	-	-	-	-	(728,951)	-	-	-	-	-	-	(728,951)
Increase in inventory	-	-	-	-	(10,535)	-	-	-	-	-	-	(10,535)
Increase in payables and accrued expenses	4,778,656	-	236,530	1,212,522	112,482	(397,405)	-	-	-	12,918	-	5,955,703
Net Cash Flows Used in Operating Activities	3,890,950	73,149	(96,864)	952,575	8,151,057	(269,542)	(246,712)	(60)	(1,492)	(88,620)	(6,671,973)	5,692,468
Cash Flows From Investing Activities												
Capital expenditures	(6,989)	-	(681,894)	(11,816,118)	(21,060,710)	11,309,893	-	-	(162,474)	(17,489,303)	-	(39,907,595)
Increase in Deferred Gain on Sale Leaseback	-	-	-	-	8,541,206	-	-	-	-	-	-	8,541,206
Investment in Subsidiaries	(35,467,142)	(73,149)	-	-	-	-	-	-	-	-	35,540,291	-
Net Cash Flows Used in Investing Activities	(35,474,131)	(73,149)	(681,894)	(11,816,118)	(12,519,504)	11,309,893	-	-	(162,474)	(17,489,303)	35,540,291	(31,366,389)
Cash Flows From Financing Activities												
Contributed Capital	58,868,818	-	-	-	-	-	11,760,000	-	173,789	16,934,529	(28,868,318)	58,868,818
Advances from notes payable	-	-	-	6,169,228	-	-	-	-	-	-	-	6,169,228
Repayment of notes payable	-	-	-	-	-	(7,156,673)	-	-	-	-	-	(7,156,673)
Proceeds from Capital Lease	-	-	-	-	20,000,000	-	-	-	-	-	-	20,000,000
Repayment of Capital Lease	-	-	-	-	(325,886)	-	-	-	-	-	-	(325,886)
Increase in Retainage	-	-	-	1,119,028	-	-	-	-	-	643,334	-	1,762,362
Due to/from Subsidiaries	(2,722,230)	-	1,481,470	6,158,452	(385,332)	(4,532,360)	(1,000)	1,000	(1,000)	1,000	-	-
Financing Costs incurred	-	-	-	(347,983)	-	-	-	-	-	-	-	(347,983)
Increase in financed insurance	-	-	-	-	62,200	-	-	-	-	-	-	62,200
Net Cash Flows Provided by Financing Activities	56,146,588	-	1,481,470	13,098,725	19,350,982	(11,689,033)	11,759,000	1,000	172,789	17,578,863	(28,868,318)	79,032,066
Net Increase (Decrease) in Cash	24,563,407	-	702,712	2,235,182	14,982,535	(648,682)	11,512,288	940	8,823	940	-	53,358,145
Cash at Beginning of Period	3,216,519	-	-	409,135	6,550,171	648,682	-	-	-	-	-	10,824,507
Cash at End of Period	\$ 27,779,926	\$ -	\$ 702,712	\$ 2,644,317	\$ 21,532,706	\$ -	\$ 11,512,288	\$ 940	\$ 8,823	\$ 940	\$ -	\$ 64,182,652

See Independent Auditors' Report on Supplementary Information

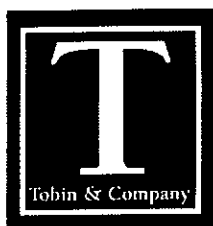


**Consolidated Audited Financial Statements
and Supplemental Information**

For the Years ended December 31, 2015 and 2014

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TOBIN & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS, PC

INDEPENDENT AUDITORS' REPORT

To the members of:
US HealthVest, LLC
New York, N.Y.

We have audited the accompanying consolidated financial statements of US HealthVest, LLC and subsidiaries, which comprise the balance sheet as of December 31, 2015 and 2014, and the related statements of operations, members' equity and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of US HealthVest, LLC, as of December 31, 2015 and 2014, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Tobin & Company
Certified Public Accountants, PC
Purchase, New York
February 25, 2016

US HealthVest, LLC

Consolidated Balance Sheets

<i>As of December 31,</i>	<i>2015</i>	<i>2014</i>
ASSETS		
Current Assets		
Cash and equivalents	\$ 10,824,507	\$ 5,136,371
Accounts receivable, net	3,834,931	839,297
Inventory	136,448	134,133
Prepaid expenses	550,020	467,357
Total Current Assets	15,345,906	6,577,158
Land, Property and Equipment, net	15,147,568	7,559,588
Other Assets		
Investment in future facilities	444,642	150,000
Other receivable and other assets	44,234	41,878
Closing costs, net	140,197	-
Goodwill	15,016,697	15,016,697
Total Other Assets	15,645,770	15,208,575
Total Assets	\$ 46,139,244	\$ 29,345,321
LIABILITIES AND MEMBERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 1,888,447	\$ 384,149
Accrued expenses	2,088,698	1,096,570
Note Payable, current portion	108,587	-
Financed insurance	165,342	167,472
Total Current Liabilities	4,251,074	1,648,191
Note Payable, net of current	7,048,086	-
Total Liabilities	11,299,160	1,648,191
MEMBERS' EQUITY	34,840,084	27,697,130
Total Liabilities and Members' Equity	\$ 46,139,244	\$ 29,345,321

See accompanying notes to the financial statements

US HealthVest, LLC

Consolidated Statements of Operations

<i>For the Years ended December 31,</i>	2015	2014
Revenues		
Net Patient Service Revenues	\$ 15,622,251	\$ 827,152
Other Revenue	1,375,051	36,033
Net Revenues	16,997,302	863,185
Operating Expenses		
Salaries and benefits	12,294,947	3,269,671
Professional fees	2,311,921	2,017,966
Supplies	967,231	117,930
Licenses, permits and fees	944,276	94,477
Travel and entertainment	614,349	328,038
Contracted services	497,373	68,989
Property and business taxes	453,448	37,003
Contracted labor	401,309	105,629
Insurance	348,377	97,907
Utilities	253,618	62,998
Repairs and maintenance	212,848	44,392
Bad debt expense	205,906	-
Rent	198,426	213,057
Recruiting costs	101,515	3,237
Computer and internet	46,734	41,085
Other operating expenses	46,059	19,424
Charitable Contributions	25,000	-
Advertising and marketing	24,869	8,931
Dues and subscriptions	8,608	24,895
Total Operating Expenses	19,956,814	6,555,629
Loss from Operations before other Items	(2,959,512)	(5,692,444)
Depreciation and amortization expense	(280,380)	(42,666)
Interest expense	(127,050)	(865)
Interest income	9,896	18,962
Net Loss	\$ (3,357,046)	\$ (5,717,013)

See accompanying notes to the financial statements

US HealthVest, LLC

Consolidated Statements of Members' Equity

For the years ended December 31, 2015 and 2014

Beginning Balance, January 1, 2014	\$ 33,414,143
Net loss for the year ended December 31, 2014	(5,717,013)
Balance, December 31, 2014	27,697,130
Contributions from Members	10,500,000
Net loss for the year ended December 31, 2015	(3,357,046)
Balance, December 31, 2015	\$ 34,840,084

See accompanying notes to the financial statements

US HealthVest, LLC

Consolidated Statements of Cash Flows

<i>For the years ended December 31,</i>	2015	2014
Cash Flows From Operating Activities		
Net Loss	\$ (3,357,046)	\$ (5,717,013)
Adjustments to Reconcile Net Loss to Net Cash Provided by Operating Activities:		
Depreciation and amortization	280,380	42,666
Bad debt expense	205,906	-
Changes in Operating Assets and Liabilities:		
Increase in prepaid expenses	(82,663)	(448,556)
Increase in other receivable and other assets	(296,998)	(172,220)
Increase in accounts receivable	(3,201,540)	(839,297)
Increase in inventory	(2,315)	(134,133)
Increase in accounts payable and accrued expenses	2,496,426	1,264,183
Net Cash Flows Used in Operating Activities	(3,957,850)	(6,004,370)
Cash Flows From Investing Activities		
Capital expenditures	(7,859,676)	(7,590,833)
Purchase of goodwill	-	(15,016,697)
Net Cash Flows Used in Investing Activities	(7,859,676)	(22,607,530)
Cash Flows From Financing Activities		
Contributed Capital	10,500,000	-
Increase (Decrease) in financed insurance	(2,130)	167,472
Advances from notes payable	7,156,673	-
Closing Costs	(148,881)	-
Decrease in capital commitments receivable	-	19,215,279
Net Cash Flows Provided by Financing Activities	17,505,662	19,382,751
Net Increase (Decrease) In Cash	5,688,136	(9,229,149)
Cash at Beginning of Year	5,136,371	14,365,520
Cash at End of Year	\$ 10,824,507	\$ 5,136,371
Supplemental Disclosures		
Cash paid during the period for:		
Interest Expense	\$ 127,050	\$ 865

See accompanying notes to the financial statements

Notes to Financial Statements

Note 1 – Summary of Accounting Policies

Organization and Business

US HealthVest, LLC (the Company) was formed under the laws of the State of Delaware on March 1, 2013. The purpose of the Company and its affiliates is to acquire and operate behavioral healthcare facilities throughout the United States. The Company currently operates one facility located in Illinois.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in conformity with generally accepted accounting principles.

Principles of Consolidation

The consolidated financial statements include the activities of US HealthVest, LLC, and its subsidiaries, collectively referred to as "the Company". All material intercompany accounts and transactions have been eliminated.

The activities of 2014 Health, LLC, 2014 Health Realty, LLC, Vest Monroe Realty, LLC, and V Colorado, LLC, collectively referred to as "affiliates" have been consolidated with the activities of US HealthVest, LLC and are presented in the statements of supplemental information.

Recent Developments

On November 3, 2014 the Company acquired the assets of Maryville Behavioral Health Hospital. The acquisition included a 125 bed hospital as well as the land on which the hospital is located in Des Plaines, Illinois. This hospital provides services to those suffering from mental health illnesses and chemical dependency. The activities of this operation from the date of acquisition through the end of the fiscal year are included in the consolidated financial statements.

In January 2014, US HealthVest received a Certificate of Need to develop a 75 bed hospital in Washington State. The hospital will be located in Marysville, a suburb of Seattle. In September 2014, the Company received a Certificate of Need for an additional 50 beds in Washington State, which was subsequently reduced to 40 beds (for a total of 115 beds) in February 2015.

In June 2014, US HealthVest received a Certificate of Need to develop a 70 bed hospital in Georgia. In June 2015, the Company acquired property including an existing hospital building and the land on which the hospital is located in Monroe, Georgia. During 2015 demolition and construction started on this property.

As of May 1, 2015 Chicago Behavioral Hospital was approved as a Medicare provider.

Cash and Equivalents

The Company considers all short term investments with an original maturity of three months or less to be cash equivalents.

Notes to Financial Statements

Note 1 - Summary of Accounting Policies (continued)*Accounts Receivable, Net Revenue and Cost Recognition*

The Company recognizes revenues in the period in which services are performed. Accounts receivable consist primarily of amounts due from third-party payors. The amounts the Company receives for treatment of patients covered by governmental programs such as Medicare, Medicaid and other third-party payors such as health maintenance organizations, preferred provider organizations and other private insurers are generally less than the Company's established billing rates. Accordingly, the revenues and accounts receivable reported in the Company's consolidated financial statements are recorded at the net amount expected to be received.

Inventory - Supplies

Inventories consist of pharmaceutical supplies and are stated at the lower of cost or market using the first-in, first-out (FIFO) method.

Property and Equipment

Property and equipment are stated at cost. Maintenance and repairs are expensed in the period incurred; major renewals and betterments are capitalized. When items of property are sold or retired, the related costs are removed from the accounts and any gain or loss is included in income.

Property and Equipment are depreciated using straight-line depreciation methods over their estimated useful lives as follows:

Buildings and Improvements	39 years
Furniture and Equipment	5-7 years
Computer equipment and software	5 years

Allowance for Doubtful Accounts

The primary risk in patient receivables would be uninsured amounts owed by direct pay patients. The Company establishes an allowance for doubtful accounts for all accounts receivable over 180 days old, and continually monitors accounts receivable balances and utilizes cash collection data and historical trends to support this position. The allowance for doubtful accounts as of December 31, 2015 was \$173,944. The Company has also established an allowance for denials from payors in the amount of \$244,838 and \$5,270, as of December 31, 2015 and 2014, respectively.

Concentration of Credit Risk

Financial instruments that potentially subject the Corporation to concentrations of credit risk consist of cash, cash equivalents and investments held in financial institutions. At times such balances may be in excess of Federal Deposit Insurance Company (FDIC) limits.

The Company's revenues are heavily related to patients participating in Medicaid, and Medicare. Management recognizes that revenues and receivables from government agencies are significant to the Company's operations, but it does not believe that there is significant credit risk associated with these government agencies.

Notes to Financial Statements

Note 1 - Summary of Accounting Policies (continued)*Use of Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expenses amounted to \$24,869 and \$8,931 for the years ended December 31, 2015 and 2014, respectively.

Goodwill

Goodwill represents the amount of purchase price in excess of the fair value assigned to the underlying identifiable net assets in certain acquisitions. In accordance with FASB ASC 350-10, goodwill and indefinite-lived intangible assets are no longer amortized systematically, but subject to impairment annually. Management reviews the carrying value of goodwill on an annual basis in order to determine whether impairment has occurred. Impairments are based on several factors, including the Company's projection of future operating cash flows. As of December 31, 2015 the Company has not recognized impairment of goodwill.

Compensated Absences

The Company's employees earn paid time off hours ("PTO"), which can be used towards vacation, sick time and personal days off. Paid time off is earned depending on the length of service and job position. Employees can carryover no more than 80 PTO hours at year end. Accrued compensated absences as of December 31, 2015 and 2014 were \$179,416 and \$18,307, respectively.

Income Taxes

The Company is organized as a Limited Liability Company, in lieu of corporate taxes; the members of a Limited Liability Company are taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability for federal or state income taxes has been included in the financial statements. The Company's income tax returns are subject to examination by the appropriate tax jurisdictions for a period of three years from when they are required to be filed.

The Company reviews and assesses its tax positions taken or expected to be taken in tax returns. Based on this assessment, the Company determines whether it is more likely than not that the positions would be sustained under examination by the tax authorities. The Company's assessment has not identified any significant positions that it believes would not be sustained under examination.

Acquisitions, Business Combinations

The company accounts for business combinations using the acquisition method and accordingly, the identifiable assets acquired, and the liabilities assumed are recorded at their acquisition date fair values. Goodwill represents the excess of the purchase price over the fair value of net assets, including the amount assigned to identifiable intangible assets.

US HealthVest, LLC

Notes to Financial Statements

Note 2 – Investment in Future Facilities

The Company is in the process of establishing new psychiatric facilities. Amounts invested toward the future purchase or lease of these facilities as of December 31, 2015 and 2014 were as follows:

<i>As of December 31,</i>	2015	2014
Phoenix	\$ 150,000	\$ -
Seattle	294,642	-
Georgia	-	150,000
Total	\$ 444,642	\$ 150,000

Note 3 - Property and Equipment

The major classifications of property and equipment are as follows:

<i>As of December 31,</i>	2015	2014
Land	\$ 2,125,000	\$ 1,300,000
Building	8,965,883	5,900,000
Furniture and Fixtures	413,366	262,850
Computer Equipment and Software	428,295	121,831
Construction in progress	3,531,033	19,344
Total Land, Property, and Equipment	15,463,577	7,604,025
Less Accumulated Depreciation	(316,009)	(44,437)
Land, Property and Equipment, net	\$ 15,147,568	\$ 7,559,588

Note 4 – Closing Costs

Closing costs in connection with the CityBank loan are being amortized over 10 years using the straight line method. Net closing costs as of December 31, 2015 were as follows:

<i>As of December 31,</i>	2015
Closing Costs	\$ 148,881
Less: Accumulated Amortization	(8,684)
Closing Costs, net	\$ 140,197

Note 5 – Financed Insurance

During 2014 The Company financed its insurance premiums through IPFS Corporation. Total premiums on these policies are \$261,777. Of this amount, \$209,340 was financed and was payable in ten equal monthly installments of \$21,366, including finance charges at 4.48%. As of December 31, 2014 the remaining balance on this agreement was \$167,472.

Notes to Financial Statements

Note 5 – Financed Insurance (continued)

During 2015 The Company financed its auto, crime, general, malpractice, and flood insurance premiums through IPFS Corporation. Total premiums on these policies were \$275,568. Of this amount, \$206,676 was financed and was payable in ten equal monthly installments of \$20,667, including finance charges at 4.48%. As of December 31, 2015 the remaining balance on this agreement was \$165,342.

Note 6 – Note Payable

On May 29, 2015, 2014 Health Realty, LLC entered into a note payable to CityBank. The initial twelve month term has a maximum drawdown of \$7,500,000. The note carries interest at prime plus 75 basis points with a floor of 4.75%. During the drawdown period payments are interest only. After the initial twelve month period the note converts to a nine year term loan, amortized over 20 years. This loan is collateralized by the real estate owned by 2014 Health Realty, LLC. As of December 31, 2015 the outstanding balance on this note was \$7,156,673.

Estimated current maturities based on the December 31, 2015 balance is as follows:

For the year ending December 31, 2016	\$108,587
For the year ending December 31, 2017	225,051
For the year ending December 31, 2018	235,977
For the year ending December 31, 2019	247,433
For the year ending December 31, 2020	259,445
Thereafter	6,080,180
Total	\$7,156,673

Note 7 – Retirement Plan

The Company maintains a 401(k) retirement plan ("the Plan") for all eligible employees over 21 years of age with at least five months of service. Participants can contribute a percentage of their compensation up to a maximum deferral of 85% and receive a matching employer contribution of 100% of deferrals up to 3% of compensation, and 50% of deferrals for the next 2% of compensation. Participants may also receive a discretionary employer matching contribution at the discretion of the Company's Board of Directors. The Company incurred expenses of \$96,920 and \$60,186 in 2015, and 2014, respectively.

Note 8 – Contributions from Members

During 2015, the Company received contributions from members totaling \$10,000,000 for 8,039,871 Series A-2 Preferred Units. In addition, the Company received a capital contribution of \$500,000 for an additional 401,994 Series A-2 units.

Notes to Financial Statements

Note 9 – Operating Lease of Facilities

The Company leases through an unrelated third party, an administrative office located in New York. The lease was assigned from a former entity of common ownership with an initial lease term of ten years, expiring October 31, 2019. Rent expense for the years ended December 31, 2015 and 2014 was \$183,501 and \$143,245, respectively.

Future minimum rental payments under this lease commitment are as follows:

December 31, 2016	193,414
December 31, 2017	199,217
December 31, 2018	205,193
December 31, 2019	175,248
Total	\$ 773,072

In addition, the Company was under an Option Agreement with an unrelated third party to purchase land in Marysville, Washington. Under this agreement, the Company paid the land owner \$5,600 per month through June 2015. During the years ended December 31, 2015 and 2014, these payments have been classified as rent in the amount of \$33,600 and \$67,200, respectively.

Note 10 – Acquisitions

During 2014 the Company acquired the assets of Maryville Behavioral Health Hospital for cash consideration of \$22,600,000. The facility provides behavioral health care to patients in and around the Chicago, Illinois area, with a total of 125 patient beds. The aggregate net purchase price of the business was allocated to assets based on their estimated fair values as follows:

Goodwill	\$ 15,016,697
Building and Improvements	5,900,000
Land	1,300,000
Furniture and Equipment	243,303
Inventory	140,000
Total Purchase Price	\$ 22,600,000

During 2015, the Company acquired property including an existing hospital building, and the land on which it is located, in Monroe, Georgia. The purchase price of the property was allocated to assets based on their estimated fair values as follows:

Building	\$ 1,925,000
Land	825,000
Acquisition Costs	90,087
Total Purchase Price and Acquisition Costs	\$ 2,840,087

Note 11 – Related Party Transactions

Chicago Behavioral Hospital (2014 Health, LLC) leases its Illinois based facility from its related company, 2014 Health Realty, LLC. The lease is a 15 year operating lease that commenced on November 3, 2014. Base rent is \$92,083 per month. Intercompany rental income and expense is eliminated upon consolidation of the financial statements.

As of December 31, 2015, 2014 Health Realty, LLC was due \$2,619,075 from Chicago Behavioral Hospital (its related entity) for rent and miscellaneous operating expenses. This intercompany receivable is eliminated upon consolidation of the financial statements.

As of December 31, 2015, US HealthVest, LLC was due \$1,351,496 from Chicago Behavioral Hospital (its related entity) for miscellaneous operating expenses. This intercompany receivable is eliminated upon consolidation of the financial statements.

As of December 31, 2015, US HealthVest, LLC was due \$158,746 from 2014 Health Realty (its related entity) for fees paid in connection with the closing of the CityBank loan. This intercompany receivable is eliminated upon consolidation of the financial statements.

As of December 31, 2015, US HealthVest, LLC was due \$1,014,478 from Vest Monroe Realty (its related entity) for miscellaneous operating expenses and capital spending. This intercompany receivable is eliminated upon consolidation of the financial statements.

Note 12 – Subsequent Events

Subsequent events were evaluated through February 19, 2016, the date that the financial statements were available to be issued.

Effective January 1, 2016, the Company's 401(k) retirement plan was expanded to include eligible participants of Chicago Behavioral Hospital. The new participants will be subject to the same structure and terms of the previously existing plan.

In January 2016, the Company closed on a \$12,500,000 loan from a publicly-traded REIT, carrying interest at 11%. The loan has a one year term with an option to purchase the building during the term for \$20,000,000. If this option is exercised, once completed, it would be treated as a sale-leaseback. If the option is not exercised, the loan converts into a \$12,500,000, ten year term loan, carrying interest at 9.5%, amortized over 20 years.

In early 2016, construction was completed on Chicago Behavioral Hospital and the full 125 licensed beds are now available. The third floor has been opened, to be followed by the fourth floor later in the year.



TOBIN & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS, PC

Independent Auditors' Report on Supplemental Material

To the members of:
US HealthVest, LLC
New York, N.Y.

We have audited the consolidated financial statements of US HealthVest, LLC and subsidiaries as of and for the years ended December 31, 2015, and 2014, and our report thereon dated February 19, 2016, which expressed an unmodified opinion on those financial statements, appears on page 3. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information included in the following section is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual companies, and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Tobin & Company
Certified Public Accountants, PC

Purchase, New York
February 25, 2016

US HealthVest, LLC

Consolidating Balance Sheet

As of December 31, 2015	US HealthVest LLC	V Colorado LLC	V Monroe Realty, LLC	2014 Health LLC	2014 Health Realty, LLC	Eliminations	Consolidated
ASSETS							
Current assets							
Cash and equivalents	\$ 3,216,519	\$ -	\$ 409,135	\$ 6,550,171	\$ 648,682	\$ -	\$ 10,824,507
Accounts receivable, net	-	-	-	3,834,931	-	-	3,834,931
Inventory	-	-	-	136,448	-	-	136,448
Prepaid expenses	91,965	-	-	458,055	-	-	550,020
Due from parent/subsidiaries	2,524,720	-	-	-	2,619,075	(5,143,795)	-
Total current assets	5,833,204	-	409,135	10,979,605	3,267,757	(5,143,795)	15,345,906
Land, Property and equipment, net	46,732	-	3,715,503	-	11,385,333	-	15,147,568
Other Assets							
Investment in 2014 Health, LLC (CBH)	19,434,925	16,514	-	-	-	(19,451,439)	-
Investment in 2014 Health Realty, LLC	7,080,463	-	-	-	-	(7,080,463)	-
Investment in V Colorado, LLC	18,514	-	-	-	-	(16,514)	-
Investment in V Monroe Realty, LLC	3,110,160	-	-	-	-	(3,110,160)	-
Investment in future facilities	444,642	-	-	-	-	-	444,642
Other receivable and other assets	29,420	-	-	14,814	-	-	44,234
Closing costs, net	-	-	-	-	140,197	-	140,197
Goodwill	-	-	-	15,016,697	-	-	15,016,697
Total Other Assets	30,116,124	16,514	-	15,031,511	140,197	(29,658,576)	15,645,770
Total Assets	\$ 35,996,060	\$ 16,514	\$ 4,124,638	\$ 26,011,116	\$ 14,793,287	\$ (34,802,371)	\$ 46,139,244
LIABILITIES AND MEMBERS' EQUITY							
Liabilities							
Accounts payable	\$ 840,041	\$ -	\$ -	\$ 1,048,406	\$ -	\$ -	\$ 1,888,447
Accrued expenses	315,935	-	-	1,375,358	397,405	-	2,088,698
Financed Insurance	-	-	-	165,342	-	-	165,342
Due to parent/subsidiaries	-	-	1,014,478	3,970,571	158,746	(5,143,795)	-
Total current liabilities	1,155,976	-	1,014,478	6,559,677	556,151	(5,143,795)	4,142,487
Note Payable	-	-	-	-	7,156,673	-	7,156,673
Total Liabilities	1,155,976	-	1,014,478	8,559,677	7,712,824	(5,143,795)	11,299,160
Members' Equity	34,840,084	16,514	3,110,160	19,451,439	7,080,463	(29,658,576)	34,840,084
Total Liabilities and Members' Equity	\$ 35,996,060	\$ 16,514	\$ 4,124,638	\$ 26,011,116	\$ 14,793,287	\$ (34,802,371)	\$ 46,139,244

See Independent Auditors' Report on Supplementary Information

US HealthVest, LLC

Consolidating Statement of Operations

<i>For the year ended December 31, 2015</i>	US HealthVest LLC	V Colorado LLC	V Monroe Realty, LLC	2014 Health LLC	2014 Health Realty, LLC	Eliminations	Consolidated
Revenues:							
Net patient service revenue	\$ -	\$ -	\$ -	\$ 15,622,251	\$ -	\$ -	\$ 15,622,251
Other revenue	-	-	-	1,375,051	1,105,000	(1,105,000)	1,375,051
Net Revenues	-	-	-	16,997,302	1,105,000	(1,105,000)	16,997,302
Operating expenses							
Salaries and benefits	3,309,636	-	-	8,985,311	-	-	12,294,947
Professional fees	1,077,252	-	23,156	1,207,513	4,000	-	2,311,921
Supplies	19,828	-	-	911,683	35,720	-	967,231
Licenses, permits and fees	19,258	-	525	924,493	-	-	944,276
Travel and entertainment	534,503	-	-	79,846	-	-	614,349
Contracted Services	-	-	-	493,185	4,188	-	497,373
Property and business taxes	7,413	-	15,033	56,633	374,369	-	453,448
Contracted labor	-	-	-	401,309	-	-	401,309
Insurance	41,608	-	-	198,798	107,971	-	348,377
Telephone and Utilities	34,199	-	-	54,223	165,196	-	253,618
Repairs and maintenance	14,804	-	-	-	198,044	-	212,848
Bad debt expense	-	-	-	205,906	-	-	205,908
Rent	185,736	-	-	1,117,690	-	(1,105,000)	198,426
Recruiting	442	-	-	101,073	-	-	101,515
Computer and Internet	46,734	-	-	-	-	-	46,734
Other operating expenses	21,298	-	1,126	23,635	-	-	46,059
Charitable Contributions	25,000	-	-	-	-	-	25,000
Advertising and marketing	750	-	-	24,119	-	-	24,869
Dues and Subscriptions	8,608	-	-	-	-	-	8,608
Total operating expenses	5,347,069	-	39,840	14,785,417	889,488	(1,105,000)	19,956,814
Operating Profit (Loss)	(5,347,069)	-	(39,840)	2,211,885	215,512	-	(2,959,512)
Other income (expenses):							
Depreciation and amortization	(14,335)	-	-	-	(266,045)	-	(280,380)
Equity in net income of subsidiaries	1,994,462	22,072	-	-	-	(2,016,534)	-
Interest income, net of expense	9,896	-	-	(4,665)	(122,385)	-	(117,154)
Total other expenses	1,990,023	22,072	-	(4,665)	(388,430)	(2,016,534)	(397,534)
Net Income (Loss)	\$ (3,357,046)	\$ 22,072	\$ (39,840)	\$ 2,207,220	\$ (172,918)	\$ (2,016,534)	\$ (3,357,046)

See Independent Auditors' Report on Supplementary Information

US HealthVest, LLC

Consolidating Statement of Members' Equity

<i>For the year ended December 31, 2015</i>	US HealthVest LLC	V Colorado LLC	V Monroe Realty, LLC	2014 Health LLC	2014 Health Realty, LLC	Eliminations	Consolidated
Beginning Balance, January 1, 2015	\$ 27,697,130	\$ (5,558)	\$ -	\$ 17,244,219	\$ 7,253,381	\$ (24,492,042)	\$ 27,697,130
Contributions from Members	10,500,000	-	3,150,000	-	-	(3,150,000)	10,500,000
Net Income (Loss)	(3,357,046)	22,072	(39,840)	2,207,220	(172,918)	(2,016,534)	(3,357,046)
Balance, December 31, 2015	\$ 34,840,084	\$ 16,514	\$ 3,110,160	\$ 19,451,439	\$ 7,080,463	\$ (29,658,576)	\$ 34,840,084

See Independent Auditors' Report on Supplementary Information

US HealthVest, LLC

Consolidating Statement of Cash Flows

<i>For the year ended December 31, 2015</i>	US HealthVest LLC	V Colorado LLC	V Monroe Realty, LLC	2014 Health LLC	2014 Health Realty, LLC	Eliminations	Consolidated
Cash Flows From Operating Activities							
Net Income (Loss)	\$ (3,357,046)	\$ 22,072	\$ (39,840)	\$ 2,207,220	\$ (172,918)	\$ (2,016,534)	\$ (3,357,048)
Adjustments to Reconcile Net Loss to Net Cash Provided by Operating Activities:							
Depreciation and amortization	14,335	-	-	-	266,045	-	280,380
Bad debt expense	-	-	-	205,806	-	-	205,806
Changes in Operating Assets and Liabilities:							
Increase in prepaid expenses	(70,131)	-	-	(12,532)	-	-	(62,663)
Increase in other receivable and other assets	(286,884)	-	-	(10,134)	-	-	(296,998)
Increase in accounts receivable	-	-	-	(3,201,540)	-	-	(3,201,540)
Increase in inventory	-	-	-	(2,315)	-	-	(2,315)
Increase in payables and accrued expenses	307,419	-	-	1,824,832	364,175	-	2,496,426
Net Cash Flows Used in Operating Activities	(3,392,287)	22,072	(39,840)	1,011,437	457,302	(2,016,534)	(3,957,850)
Cash Flows From Investing Activities							
Capital expenditures	(6,576)	-	(3,715,503)	329,680	(4,467,277)	-	(7,859,676)
Investment in Subsidiaries	(5,144,462)	(22,072)	-	-	-	5,166,534	-
Net Cash Flows Used in Investing Activities	(5,151,038)	(22,072)	(3,715,503)	328,660	(4,487,277)	5,166,534	(7,859,676)
Cash Flows From Financing Activities							
Contributed Capital	10,500,000	-	3,150,000	-	-	(3,150,000)	10,500,000
Advances from notes payable	-	-	-	-	7,156,673	-	7,156,673
Due to/from Subsidiaries	(2,523,835)	-	1,014,478	3,658,492	(2,349,135)	-	-
Closing costs	-	-	-	-	(148,881)	-	(148,881)
Decrease in financed Insurance	-	-	-	(2,130)	-	-	(2,130)
Net Cash Flows Provided by Financing Activities	7,976,165	-	4,164,478	3,856,362	4,658,557	(3,150,000)	17,505,662
Net Increase (Decrease) in Cash	(567,160)	-	409,135	5,197,479	648,682	-	5,688,138
Cash at Beginning of Period	3,783,679	-	-	1,352,692	-	-	5,136,371
Cash at End of Period	\$ 3,218,518	\$ -	\$ 409,135	\$ 6,550,171	\$ 648,682	\$ -	\$ 10,824,507

See Independent Auditors' Report on Supplementary Information



**Consolidated Audited Financial Statements
and Supplemental Information**

For the Year ended December 31, 2014 and the
Period from March 1, 2013 (Inception) through December 31, 2013

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TOBIN & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS, PC

INDEPENDENT AUDITORS' REPORT

To the members of:
US HealthVest, LLC
New York, N.Y.

We have audited the accompanying consolidated financial statements of US HealthVest, LLC and subsidiaries, which comprise the balance sheet as of December 31, 2014 and 2013, and the related statements of operations, members' equity and cash flows for the year ended December 31, 2014 and the period from March 1, 2013 (inception) through December 31, 2013, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of US HealthVest, LLC, as of December 31, 2014 and 2013, and the results of their operations and their cash flows for the year ended December 31, 2014 and the period from March 1, 2013 (inception) through December 31, 2013 in accordance with accounting principles generally accepted in the United States of America.

Purchase, New York
March 25, 2015

US HealthVest, LLC

Consolidated Balance Sheets

<i>As of December 31,</i>	2014	2013
ASSETS		
Current Assets		
Cash and equivalents	\$ 5,136,371	\$ 14,365,520
Accounts receivable, net	839,297	-
Capital commitments receivable	-	19,215,279
Inventory	134,133	-
Prepaid expenses	467,357	18,801
Total Current Assets	6,577,158	33,599,600
Land, Property and Equipment, net	7,559,588	11,421
Other Assets		
Investment in future facilities	150,000	-
Other receivable and other assets	41,878	19,658
Goodwill	15,016,697	-
Total Other Assets	15,208,575	19,658
Total Assets	\$ 29,345,321	\$ 33,630,679
LIABILITIES AND MEMBERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 384,149	\$ 47,387
Accrued expenses	1,096,570	169,149
Financed insurance	167,472	-
Total Current Liabilities	1,648,191	216,536
MEMBERS' EQUITY	27,697,130	33,414,143
Total Liabilities and Members' Equity	\$ 29,345,321	\$ 33,630,679

See accompanying notes to the financial statements

US HealthVest, LLC

Consolidated Statements of Operations

For the year ended December 31, 2014 and
the period from March 1, 2013 (inception) through December 31, 2013

	2014	2013
Revenues		
Net Patient Service Revenues	\$ 827,152	\$ -
Other Revenue	36,033	-
Net Revenues	863,185	-
Operating Expenses		
Salaries and benefits	3,269,671	1,538,774
Professional fees	1,962,619	785,009
Travel and entertainment	328,038	226,538
Rent	213,057	136,725
Supplies	117,930	53,532
Contracted labor	105,629	-
Insurance	97,907	-
Licenses, permits and fees	94,477	69,321
Contracted services	68,989	-
Utilities	62,998	21,763
Administrative consulting	55,347	-
Repairs and maintenance	44,392	-
Computer and internet	41,085	-
Property and business taxes	37,003	-
Dues and subscriptions	24,895	-
Other operating expenses	22,661	8,250
Advertising and marketing	8,931	480
Total Operating Expenses	6,555,629	2,840,392
Loss from Operations before other items	(5,692,444)	(2,840,392)
Depreciation expense	(42,666)	(1,772)
Interest income, net of expense of \$865)	18,097	6,307
Net Loss	\$ (5,717,013)	\$ (2,835,857)

See accompanying notes to the financial statements

US HealthVest, LLC

Consolidated Statements of Members' Equity

*For the year ended December 31, 2014 and
the period from March 1, 2013 (inception) through December 31, 2013*

Beginning Balance, inception	\$ -
Contributions from Members	36,250,000
Net Loss for the period from March 1, 2013 (inception) through December 31, 2013	(2,835,857)
Balance, December 31, 2013	33,414,143
Net Loss for the year ended December 31, 2014	(5,717,013)
Balance, December 31, 2014	\$ 27,697,130

See accompanying notes to the financial statements

US HealthVest, LLC

Consolidated Statements of Cash Flows

For the year ended December 31, 2014 and
the period from March 1, 2013 (inception) through December 31, 2013

	2014	2013
Cash Flows From Operating Activities		
Net Loss	\$ (5,717,013)	\$ (2,835,857)
Adjustments to Reconcile Net Loss to Net Cash Provided by Operating Activities:		
Depreciation	42,666	1,772
Changes in Operating Assets and Liabilities:		
Increase in prepaid expenses	(448,556)	(18,801)
Increase in other receivable and other assets	(172,220)	(19,658)
Increase in accounts receivable	(839,297)	-
Increase in inventory	(134,133)	-
Increase in accounts payable and accrued expenses	1,264,183	216,536
Net Cash Flows Used in Operating Activities	(6,004,370)	(2,656,008)
Cash Flows From Investing Activities		
Capital expenditures	(7,590,833)	(13,193)
Purchase of goodwill	(15,016,697)	-
Net Cash Flows Used in Investing Activities	(22,607,530)	(13,193)
Cash Flows From Financing Activities		
Capital commitment	-	36,250,000
Increase in financed insurance	167,472	-
(Increase) Decrease in capital commitments receivable	19,215,279	(19,215,279)
Net Cash Flows Provided by Financing Activities	19,382,751	17,034,721
Net Increase (Decrease) In Cash	(9,229,149)	14,365,520
Cash at Beginning of Year	14,365,520	-
Cash at End of Year	\$ 5,136,371	\$ 14,365,520
Supplemental Disclosures		
Cash paid during the period for:		
Interest Expense	\$ 865	\$ -

See accompanying notes to the financial statements

Notes to Financial Statements

Note 1 – Summary of Accounting Policies

Organization and Business

US HealthVest, LLC (the Company) was formed under the laws of the State of Delaware on March 1, 2013. The purpose of the Company and its affiliates is to acquire and operate behavioral healthcare facilities throughout the United States. The Company currently operates one facility located in Illinois.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in conformity with generally accepted accounting principles.

Principles of Consolidation

The consolidated financial statements include the activities of US HealthVest, LLC, and its subsidiaries, collectively referred to as "the Company". All material intercompany accounts and transactions have been eliminated.

The activities of 2014 Health, LLC, 2014 Health Realty, LLC, and V Colorado, LLC, collectively referred to as "affiliates" have been consolidated with the activities of US HealthVest, LLC and are presented in the statements of supplemental information.

Recent Developments

On November 3, 2014 the Company acquired the assets of Maryville Behavioral Health Hospital. The acquisition included a 125 bed hospital as well as the land on which the hospital is located in Des Plaines, Illinois. This hospital provides services to those suffering from mental health illnesses and chemical dependency. The activities of this operation from the date of acquisition through the end of the fiscal year are included in the consolidated financial statements.

In January 2014, US HealthVest received a Certificate of Need to develop a 75 bed hospital in Washington State. The hospital will be located in Marysville, a suburb of Seattle. In September 2014, the Company received a Certificate of Need for an additional 50 beds in Washington State.

In June 2014, US HealthVest received a Certificate of Need to develop a 70 bed hospital in Georgia.

Accounts Receivable, Net Revenue and Cost Recognition

The Company recognizes revenues in the period in which services are performed. Accounts receivable consist primarily of amounts due from third-party payors. The amounts the Company receives for treatment of patients covered by governmental programs such as Medicare, Medicaid and other third-party payors such as health maintenance organizations, preferred provider organizations and other private insurers are generally less than the Company's established billing rates. Accordingly, the revenues and accounts receivable reported in the Company's consolidated financial statements are recorded at the net amount expected to be received.

Notes to Financial Statements

Note 1 - Summary of Accounting Policies, continuedCash and Equivalents

The Company considers all short term investments with an original maturity of three months or less to be cash equivalents.

Inventory - Supplies

Inventories consist of pharmaceutical and dietary supplies and are stated at the lower of cost or market using the first-in, first-out (FIFO) method.

Property and Equipment

Property and equipment are stated at cost. Maintenance and repairs are expensed in the period incurred; major renewals and betterments are capitalized. When items of property are sold or retired, the related costs are removed from the accounts and any gain or loss is included in income.

Depreciation

Property and Equipment are depreciated using straight-line depreciation methods over their estimated useful lives as follows:

Buildings and Improvements	39 years
Furniture and Equipment	5-7 years
Computer equipment and software	5 years

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Allowance for Doubtful Accounts

The primary risk in patient receivables would be uninsured amounts owed by direct pay patients. As of December 31, 2014 the Company did not have accounts receivable from direct pay patients, and therefore the Company has not established an allowance for doubtful accounts. The Company continually monitors accounts receivable balances and utilizes cash collection data and historical trends to support this position. The Company has however established an allowance for denials from payors in the amount of \$5,270.

Concentration of Credit Risk

Financial instruments that potentially subject the Corporation to concentrations of credit risk consist of cash, cash equivalents and investments held in financial institutions. At times such balances may be in excess of Federal Deposit Insurance Company (FDIC) limits.

The Company's revenues are heavily related to patients participating in Medicaid. Management recognizes that revenues and receivables from government agencies are significant to the Company's operations, but it does not believe that there is significant credit risk associated with this government agency.

Notes to Financial Statements

Note 1 - Summary of Accounting Policies, continued**Advertising Costs**

Advertising costs are expensed as incurred. Advertising expenses amounted to \$8,931 and \$480 for the year ended December 31, 2014 and the period from March 1, 2013 (inception) through December 31, 2013, respectively.

Goodwill

Goodwill represents the amount of purchase price in excess of the fair value assigned to the underlying identifiable net asset in certain acquisitions. In accordance with FASB ASC 350-10, goodwill and indefinite-lived intangible assets are no longer amortized systematically, but subject to impairment annually. Management reviews the carrying value of goodwill on an annual basis in order to determine whether impairment has occurred. Impairments are based on several factors, including the Company's projection of future operating cash flows. As of December 31, 2014 the Company has not recognized impairment of goodwill.

Compensated Absences

The Company's employees earn paid time off hours ("PTO"), which can be used towards vacation, sick time and personal days off. Paid time off is earned depending on the length of service and job position. Employees can carryover no more than 80 PTO hours at year end. Accrued compensated absences as of December 31, 2014 and 2013 were \$18,307 and \$0, respectively.

Income Taxes

The Company is organized as a Limited Liability Company, in lieu of corporate taxes; the members of a Limited Liability Company are taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability for federal or state income taxes has been included in the financial statements. The Company's income tax returns are subject to examination by the appropriate tax jurisdictions for a period of three years from when they are required to be filed.

Acquisitions, Business Combinations

The company accounts for business combinations using the acquisition method and accordingly, the identifiable assets acquired, and the liabilities assumed are recorded at their acquisition date fair values. Goodwill represents the excess of the purchase price over the fair value of net assets, including the amount assigned to identifiable intangible assets.

Note 2 - Capital Commitments Receivable

Upon commencement of operations, the Company received capital commitments from its members totaling \$36,250,000. Of this amount, \$17,034,721 was collected as of December 31, 2013. The remaining balance was collected during the year ended December 31, 2014.

Note 3 – Investment in Future Facilities

During 2014 the Company was in the process of establishing a new psychiatric facility in Monroe, Georgia. The Company made a deposit of \$150,000 during 2014 for the future purchase of this facility.

Notes to Financial Statements

Note 4 - Property and Equipment

The major classifications of property and equipment are as follows:

<i>As of December 31,</i>	2014	2013
Land	\$ 1,300,000	\$ -
Building	5,900,000	-
Furniture and Fixtures	262,850	13,193
Computer Equipment and Software	121,831	-
Construction in progress	19,344	-
Total Land, Property, and Equipment	7,604,025	13,193
Less Accumulated Depreciation	(44,437)	(1,772)
Land, Property and Equipment, net	\$ 7,559,588	\$ 11,421

Note 5 – Financed Insurance

The Company financed its insurance premiums through IPFS Corporation. Total premiums on these policies are \$261,777. Of this amount, \$209,340 was financed and is payable in ten equal monthly installments of \$21,366, including finance charges at 4.48%. As of December 31, 2014 the remaining balance on this agreement was \$167,472.

Note 6 – Operating Lease of Facilities

The Company leases through an unrelated third party, an administrative office located in New York. The lease was assigned from a former entity of common ownership with an initial lease term of ten years, expiring October 31, 2019. Rent expense for the year ended December 31, 2014 and the period from March 1, 2013 (inception) through December 31, 2013 was \$143,245 and \$136,725, respectively.

Future minimum rental payments under this lease commitment are as follows:

December 31, 2015	\$ 187,781
December 31, 2016	193,414
December 31, 2017	199,217
December 31, 2018	205,193
December 31, 2019	175,248
Total	\$ 960,853

In addition, the Company is under an Option Agreement with an unrelated third party to purchase land in Marysville, Washington. Under this agreement, the Company pays the land owner \$5,600 per month for the term of the agreement. During the year ended December 31, 2014, these payments have been classified as rent in the amount of \$67,200.

Notes to Financial Statements**Note 7 – Retirement Plan**

The Company maintains a 401(k) retirement plan ("the Plan") for all eligible employees over 21 years of age with at least five months of service. Participants can contribute a percentage of their compensation up to a maximum deferral of 85% and receive a matching employer contribution of 100% of deferrals up to 3% of compensation, and 50% of deferrals for the next 2% of compensation. Participants may also receive a discretionary employer matching contribution at the discretion of the Company's Board of Directors. The Company incurred expenses of \$60,186 in 2014.

Note 8 – Acquisitions

During 2014 the Company acquired the assets of Maryville Behavioral Health Hospital for cash consideration of \$22,600,000. The facility provides behavioral health care to patients in and around the Chicago, Illinois area, with a total of 125 patient beds. The aggregate net purchase price of the business was allocated to assets based on their estimated fair values as follows:

Goodwill	\$ 15,016,697
Building and Improvements	5,900,000
Land	1,300,000
Furniture and Equipment	243,303
Inventory	140,000
<hr/>	
Total Purchase Price	<u>\$ 22,600,000</u>

Note 9 – Related Party Transactions

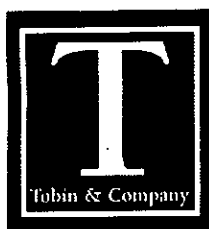
Chicago Behavioral Hospital (2014 Health, LLC) leases its Illinois based facility from its related company, 2014 Health Realty, LLC. The lease is a 15 year operating lease that commenced on November 3, 2014. Base rent is \$92,083 per month. Intercompany rental income and expense is eliminated upon consolidation of the financial statements.

As of December 31, 2014, 2014 Health Realty, LLC was due \$111,194 from Chicago Behavioral Hospital (its related entity) for the November and December 2014 rent. This intercompany receivable is eliminated upon consolidation of the financial statements.

As of December 31, 2014, US HealthVest, LLC was due \$885 from Chicago Behavioral Hospital (its related entity) for miscellaneous operating expenses. This intercompany receivable is eliminated upon consolidation of the financial statements.

Note 10 – Subsequent Event

Subsequent events were evaluated through March 25, 2015, the date that the financial statements were available to be issued.



TOBIN & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS, PC

Independent Auditors' Report on Supplemental Material

To the members of:
US HealthVest, LLC
New York, N.Y.

We have audited the consolidated financial statements of US HealthVest, LLC and subsidiaries as of and for the year ended December 31, 2014, and as of and for the period from March 1, 2013 (inception) through December 31, 2013, which expressed an unmodified opinion on those financial statements, appears on page 3. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information included in the following section is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual companies, and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Purchase, New York
March 25, 2015

US HealthVest, LLC

Consolidating Balance Sheet

<i>As of December 31, 2014</i>	US HealthVest LLC	V Colorado LLC	2014 Health LLC	2014 Health Realty, LLC	eliminations	Consolidated
ASSETS						
Current assets						
Cash and equivalents	\$ 3,783,679	\$ -	\$ 1,352,692	\$ -	\$ -	\$ 5,136,371
Accounts receivable, net	-	-	839,297	-	-	839,297
Inventory	-	-	134,133	-	-	134,133
Prepaid expenses	21,834	-	445,523	-	-	467,357
Due from parent/subsidiaries	885	-	-	111,194	(112,079)	-
Total current assets	3,806,398	-	2,771,645	111,194	(112,079)	6,577,158
Land, Property and equipment, net	54,491	-	329,680	7,175,417	-	7,559,588
Other Assets						
Investment in 2014 Health, LLC (CBH)	17,249,777	(5,558)	-	-	(17,244,219)	-
Investment in 2014 Health Realty, LLC	7,253,381	-	-	-	(7,253,381)	-
Investment in V Colorado, LLC	(5,558)	-	-	-	5,558	-
Investment in future facilities	150,000	-	-	-	-	150,000
Other receivable and other assets	37,198	-	4,680	-	-	41,878
Goodwill	-	-	15,016,697	-	-	15,016,697
Total Other Assets	24,684,798	(5,558)	15,021,377	-	(24,492,042)	15,208,575
Total Assets	\$ 28,545,687	\$ (5,558)	\$ 18,122,702	\$ 7,286,611	\$ (24,604,121)	\$ 29,345,321
LIABILITIES AND MEMBERS' EQUITY						
Liabilities						
Accounts payable	\$ 86,237	\$ -	\$ 297,912	\$ -	\$ -	\$ 384,149
Accrued expenses	762,320	-	301,020	33,230	-	1,096,570
Financed insurance	-	-	167,472	-	-	167,472
Due to parent/subsidiaries	-	-	112,079	-	(112,079)	-
Total current liabilities	848,557	-	878,483	33,230	(112,079)	1,648,191
Members' Equity	27,697,130	(5,558)	17,244,219	7,253,381	(24,492,042)	27,697,130
Total Liabilities and Members' Equity	\$ 28,545,687	\$ (5,558)	\$ 18,122,702	\$ 7,286,611	\$ (24,604,121)	\$ 29,345,321

US HealthVest, LLC

Consolidating Statement of Operations

<i>For the year ended December 31, 2014</i>	US HealthVest LLC	V Colorado LLC	2014 Health LLC	2014 Health Realty, LLC	eliminations	Consolidated
Revenues:						
Net patient service revenue	\$ -	\$ -	\$ 827,152	\$ -	\$ -	\$ 827,152
Other revenue	-	-	36,033	178,028	(178,028)	36,033
Net Revenues	-	-	863,185	178,028	(178,028)	863,185
Operating expenses						
Salaries and benefits	2,484,039	-	785,632	-	-	3,269,671
Professional fees	1,946,765	-	15,854	-	-	1,962,619
Travel and entertainment	323,462	-	4,576	-	-	328,038
Rent	212,152	-	178,933	-	(178,028)	213,057
Supplies	31,045	-	86,885	-	-	117,930
Contracted labor	-	-	105,629	-	-	105,629
Insurance	7,019	-	60,122	30,766	-	97,907
Licenses, permits and fees	86,714	-	7,763	-	-	94,477
Contracted services	-	-	68,989	-	-	68,989
Utilities	32,338	-	3,045	27,615	-	62,998
Administrative consulting	-	-	55,347	-	-	55,347
Repairs and maintenance	15,567	-	11,142	17,883	-	44,392
Computer and internet	41,085	-	-	-	-	41,085
Property and business taxes	-	-	13,003	24,000	-	37,003
Dues and subscriptions	24,009	-	886	-	-	24,895
Other operating expenses	8,709	-	13,952	-	-	22,661
Advertising and marketing	7,053	-	1,878	-	-	8,931
Total operating expenses	5,219,957	-	1,413,636	100,064	(178,028)	6,555,629
Operating Profit (Loss)	(5,219,957)	-	(550,451)	77,964	-	(5,692,444)
Other income (expenses):						
Depreciation and amortization	(9,786)	-	(8,297)	(24,583)	-	(42,666)
Equity in net income of subsidiaries	(502,400)	(5,558)	-	-	507,958	-
Interest income, net of expense	15,130	-	2,967	-	-	18,097
Total other expenses	(497,056)	(5,558)	(5,330)	(24,583)	507,958	(24,569)
Net Income (Loss)	\$ (5,717,013)	\$ (5,558)	\$ (555,781)	\$ 53,381	\$ 507,958	\$ (5,717,013)

US HealthVest, LLC

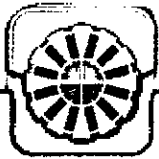
Consolidating Statement of Members' Equity

<i>For the year ended December 31, 2014</i>	US HealthVest LLC	V Colorado LLC	2014 Health LLC	2014 Health Realty, LLC	eliminations	Consolidated
Beginning Balance, January 1, 2014	\$ 33,414,143	\$ -	\$ -	\$ -	\$ -	\$ 33,414,143
Contributions from Members	-	-	17,800,000	7,200,000	(25,000,000)	-
Net Income (Loss)	(5,717,013)	(5,558)	(555,781)	53,381	507,958	(5,717,013)
Balance, December 31, 2014	\$ 27,697,130	\$ (5,558)	\$ 17,244,219	\$ 7,253,381	\$ (24,492,042)	\$ 27,697,130

US HealthVest, LLC

Consolidating Statement of Cash Flows

<i>For the year ended December 31, 2014</i>	US HealthVest LLC	V Colorado LLC	2014 Health LLC	2014 Health Realty, LLC	eliminations	Consolidated
Cash Flows From Operating Activities						
Net Income (Loss)	\$ (5,717,013)	\$ (5,558)	\$ (555,781)	\$ 53,381	\$ 507,958	\$ (5,717,013)
Adjustments to Reconcile Net Loss to Net Cash Provided by Operating Activities:						
Depreciation	9,788	-	8,297	24,583		42,666
Changes in Operating Assets and Liabilities:						
Increase in prepaid expenses	(3,033)	-	(445,523)	-		(448,556)
Increase in other receivable and other assets	(167,540)		(4,680)	-		(172,220)
Increase in accounts receivable	-		(839,297)	-		(839,297)
Increase in inventory	-		(134,133)	-		(134,133)
Increase in payables and accrued expenses	632,021		598,932	33,230		1,264,183
Net Cash Flows Used in Operating Activities	(5,245,779)	(5,558)	(1,372,185)	111,194	507,958	(8,004,370)
Cash Flows From Investing Activities						
Capital expenditures	(52,858)	-	(337,977)	(7,200,000)		(7,590,833)
Investment in Subsidiaries	(24,497,600)	5,558			24,492,042	-
Purchase of goodwill	-	-	(15,016,697)			(15,016,697)
Net Cash Flows Used in Investing Activities	(24,550,456)	5,558	(15,354,674)	(7,200,000)	24,492,042	(22,607,530)
Cash Flows From Financing Activities						
Contributed Capital	-	-	17,600,000	7,200,000	(25,000,000)	-
Due to/From Subsidiaries	(885)	-	112,079	(111,194)		-
Increase in financed insurance	-	-	167,472			167,472
Decrease in capital commitment receivable	19,215,279	-				19,215,279
Net Cash Flows Provided by Financing Activities	19,214,394	-	16,079,551	7,088,806	(25,000,000)	19,382,751
Net Increase (Decrease) in Cash	(10,581,841)	-	1,352,692	-	-	(9,229,149)
Cash at Beginning of Year	14,365,520	-	-	-	-	14,365,520
Cash at End of Year	\$ 3,783,679	\$ -	\$ 1,352,692	\$ -	\$ -	\$ 5,136,371



City Bank

El Paso West Branch
7901 N. Mesa St.
El Paso, Texas 79935-1625
(915) 833-0267 Main
(915) 933-9571 Fax
citybankonline.com

August 23, 2017

Dr. Richard Kresch, CEO
Mr. James Cha, CFO
U.S. HealthVest LLC
32 E. 57th St, 17th Floor
New York, NY., 10022

Dear Dr. Kresch and Mr. Cha,

I have prepared a term sheet which I feel encompasses all the major terms in providing a \$18,969,400 loan to a U.S. HealthVest LLC (USHV) related entity.

BORROWER: V Covington Realty, LLC (VCR)

AMOUNT: \$18,969,400 note amount with funding being allocated between for Working Capital and Construction purposes. These figures are based on funding no more than 60% of appraised value (yet to be obtained) or 60% of cost, whichever is less. No defaults under this loan or any other loan can exist by either the Borrower or Guarantor. Funding of this loan is contingent upon Borrower/Guarantor having paid 12,646,264 in costs associated with this project prior to the bank advancing any loan proceeds.

PURPOSE: Proceeds will be used to construct a psychiatric hospital in Waukegan (IL).

TERMS: Ten year note with interest payable monthly for the first 18 months and then 102 monthly payments based on a 20 year amortization. Payments will be adjusted depending on the interest rate.

INTEREST RATE: The Note shall have the following interest rate.
Prime plus 0.75% with a floor of 4.75%. Borrower will have the option to fix the interest rate annually on the note's anniversary date and the Bank is agreeable to providing an annual 1% interest rate collar.

FEES: \$189,694.00

OTHER COST: Borrower will promptly pay all costs, fees and expenses paid or incurred by Lender incident to this loan. These may include, but are not limited to, all fees and expenses for appraisals, appraisal reviews, environmental

ATTACHMENT-34B

Member FDIC Equal Housing Lender

inspections, surveys, filing fees, title or lien search services, audit, recording fees, mortgage and intangible taxes, environmental assessments, the fees and expenses for architects or engineers employed by Lender, and escrow fees, and all costs, fees and expenses incurred by Lender, relating to the enforcement of the obligations of VCR/USHV or the exercise of any of the Lender's rights and remedies, all of which shall be part of the indebtedness described herein.

COLLATERAL:

Perfected first lien and assignment of all leases on the Waukegan (IL) project along with a first lien on the Furniture, Fixtures and Equipment.

INSURANCE

REQUIREMENTS:

Bank will be named as co-loss payee. Borrower and parent will also be required to carry sufficient insurance to cover all insurable risks including malpractice insurance.

GUARANTOR:

U.S. HealthVest LLC

FINANCIAL STATEMENT

REQUIREMENTS:

Borrower will provide internally generated financial statements within 45 days of each calendar quarter. The Borrower and Guarantor will submit annual audited financial statement within 120 days of their fiscal year end and tax returns within 45 days of filing or availability. The detailed quarterly statements should also include a report of the operating hospitals detailing the occupancy, (bed nights), average length of stay, reimbursement percentages and such other statistical data that might be requested from time to time.

LOAN AGREEMENT COVENANTS:

Borrower shall provide Bank with annual proof of payment of real estate taxes, income taxes, and property insurance as well as other insurance. USHV must maintain the majority of its deposits with City Bank and maintain no less than a minimum cash balance of \$6,000,000 or more. USHV must maintain positive working capital at all times. There will be additional covenants to be determined based on the latest financial statements plus other normal loan agreement covenants.

OTHER DOCUMENTS AND CONDITIONS:

An appraisal acceptable to Bank.
A "clean" environmental assessment.
A letter from the Borrower's attorney stating that the Borrower and its representative are empowered to enter into this loan.
A copy of all entity Organizational documents.
Flood Search Certificate.
Final copy of approved Certificate of Need

Completion of City Bank's due diligence review and underwriting process, formal credit approval by City Bank, and the delivery of mutually acceptable loan documents.

There shall have been (a) no material adverse change in the business, reasonably imminent prospects, operations, results of operations, assets, liabilities or condition(financial or otherwise) of the proposed borrower/guarantor, and (b) no material impairment of the Borrower/Guarantor's ability to perform its obligations under the terms of the proposed loan.

Such other documents or certificates as may be reasonably requested by Bank.

EVENTS OF DEFAULT:

The Borrower will be in "Default" under this agreement in the event any of The following occurs:

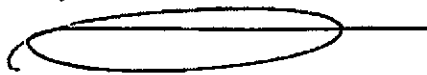
- a) Borrower fails to pay the Note in accordance within terms;
- b) An event of default occurs under any of the referenced collateral documents;
- c) Borrower or any Guarantor becomes insolvent;
- d) A receiver is appointed for any assets of the Borrower;
- e) An order for relief under the Federal Bankruptcy Code is entered with respect to either the Borrower or any Guarantor.
- f) Either the Borrower or any Guarantor admits in writing their inability to pay their debts generally as they become due;
- g) Either the Borrower or any Guarantor executes an assignment for the benefit of its creditors;
- h) Either the Borrower or any Guarantor:
 - (i) files a petition for relief in the Federal Bankruptcy Code or a Petition or answer seeking reorganization or admitting the material allegations of a petition filed against it in any Bankruptcy or reorganization proceeding, or (ii) institutes or involuntarily becomes a party to any other judicial proceeding intended to affect a discharge of the debts of the Borrower or any Guarantor, or a postponement of the maturity of any such debts, or suspension of any of the rights or powers of a trustee or any of the rights or powers granted to the Bank herein, in the security documents securing this loan, or in any other documents executed in connection herewith.

REMEDIES UPON DEFAULT:

Subject to the limitations of the Federal Bankruptcy code, if applicable, upon the occurrence of a Default, as defined herein, Bank, at its option, without notice, demand or presentment, which are hereby waived, can declare immediately due and payable the entire unpaid balance of principal and all accrued interest that is unpaid on the Note, and, if Bank so elects, any other indebtedness of the Borrower to Bank, and upon the exercise of such option the entire unpaid balance of principal and accrued interest shall become immediately due and payable.

Thank you for this opportunity and we look forward to hearing from you soon. If you have any questions regarding this conditional term sheet, please do not hesitate to contact us.

Sincerely,

A handwritten signature in black ink, consisting of a stylized oval shape with a horizontal line extending to the right.

Robert D. Kotarski, SVP
City Bank

SECTION VIII – 1120.130 – FINANCIAL VIABILITY Continued I

Financial Viability

All the applicants and co-applicants shall be identified, specifying their roles in the project funding or guaranteeing the funding (sole responsibility or shared) and percentage of participation in that funding.

1. The applicant or co-applicant that is responsible for funding or guaranteeing funding of the project shall provide viability ratios for the latest three years for which audited financial statements are available and for the first full fiscal year at target utilization, but no more than two years following project completion. When the applicant's facility does not have facility specific financial statements and the facility is a member of a health care system that has combined or consolidated financial statements, the system's viability ratios shall be provided. If the health care system includes one or more hospitals, the system's viability ratios shall be evaluated for conformance with the applicable hospital standards.

V Covington Realty, LLC and V Covington, LLC are special purpose vehicles and were specifically organized for NBH and now Vista West Behavioral Hospital. It should be noted that upon approval of this application, the permit for NBH (permit #16-011) will be abandoned. As that project has not commenced, V Covington Realty, LLC and V Covington, LLC do not have any historical financial information.

US HealthVest, LLC prepared the proforma financial statements for V Covington Realty, LLC and V Covington, LLC, copies of which are appended as ATTACHMENT-36A.

The Financial Viability Ratios for Vista West Behavioral Hospital are set forth below.

Financial Viability Ratios - V Covington, LLC	2021	STATE NORM	2021 vs. NORM
Current Ratio	10.3	2.0 or more	Satisfies
Net Margin Percentage	19%	3.5% or more	Satisfies
Percent Debt to Total Capitalization	0%	50% or less	Satisfies
Projected Debt Service Coverage	N/A (no LT Debt)	2.5 or more	Satisfies
Days Cash on Hand	82	75 days or more	Satisfies
Cushion Ratio	N/A (no LT Debt)	7.0 or more	Satisfies

ATTACHMENT-36

SECTION VIII – 1120.130 – FINANCIAL VIABILITY Continued II

The Financial Viability Ratios for Vista West Behavioral Hospital are set forth below.

Financial Viability Ratios - Combined	2021	STATE NORM	2021 vs. NORM
Current Ratio	17.4	2.0 or more	Satisfies
Net Margin Percentage	24%	3.5% or more	Satisfies
Percent Debt to Total Capitalization	40%	50% or less	Satisfies
Projected Debt Service Coverage	9.7	2.5 or more	Satisfies
Days Cash on Hand	200.8	75 days or more	Satisfies
Cushion Ratio	14.3	7.0 or more	Satisfies

The Applicants have satisfied the financial viability ratios, therefore, the variance is not necessary.

INCOME STATEMENT

V Covington, LLC

	2018	2019	2020	2021
Patient Days	8,479	15,496	25,588	45,811
ADC	23.3	42.3	70.1	125.1
Outpatient Visits	1,180	2,162	3,571	6,404
Adj. Patient Days	8,536	15,601	25,752	46,099
REVENUE:				
Inpatient Revenue	5,325,958	9,855,641	17,386,936	32,278,774
Outpatient Revenue	271,308	502,279	837,933	1,517,598
Net Patient Revenue	5,597,266	10,357,920	18,224,869	33,796,373
Other Revenue	0	0	0	0
Total Revenue	5,597,266	10,357,920	18,224,869	33,796,373
OPERATING EXPENSES:				
Salaries	4,372,994	6,324,775	8,713,518	12,770,994
Contract Labor	0	0	0	0
Incentive Compensation	230,083	257,275	263,707	270,300
Employee Benefits	830,869	1,201,707	1,655,568	2,426,489
Supplies	349,988	639,139	1,065,373	1,934,848
Medical Professional	535,942	867,196	1,344,452	2,306,476
Professional Fees	110,000	123,000	126,075	172,226
Purchased Services	537,509	670,204	798,562	1,043,734
Repairs & Maint	220,000	246,000	252,150	258,454
Rent	16,500	3,518,450	3,518,911	3,519,384
Utilities	387,992	433,846	444,692	455,809
Recruitment	44,000	49,200	50,430	51,691
T&E	66,000	73,800	75,645	77,536
Insurance	308,000	346,080	356,462	367,156
Advertising	55,000	61,500	63,038	64,613
Bad Debt	219,608	310,738	546,746	1,013,891
Taxes - Non Income	550,000	615,000	630,375	646,134
Other Expenses	33,000	36,900	37,823	38,768
Total Operating Exp	8,867,484	15,774,810	19,943,526	27,418,504
EBITOA	(\$3,270,218)	(\$5,416,890)	(\$1,718,658)	\$6,377,869
<i>Margin</i>	-58%	-52%	-9%	19%
OTHER COSTS:				
Depreciation/Amort	0	0	0	0
Management Fee	0	0	0	0
Interest	0	0	0	0
Total	0	0	0	0
NET INCOME	(\$3,270,218)	(\$5,416,890)	(\$1,718,658)	\$6,377,869

ATTACHMENT-36A

INCOME STATEMENT**V Covington Realty, LLC**

	2018	2019	2020	2021
Patient Days	0	0	0	0
ADC	0.0	0.0	0.0	0.0
Outpatient Visits	0	0	0	0
Adj. Patient Days	0	0	0	0
REVENUE:				
Inpatient Revenue	0	0	0	0
Outpatient Revenue	0	0	0	0
Net Patient Revenue	0	0	0	0
Other Revenue	0	0	0	0
Total Revenue	0	0	0	0
OPERATING EXPENSES:				
Salaries	0	0	0	0
Contract Labor	0	0	0	0
Incentive Compensation	0	0	0	0
Employee Benefits	0	0	0	0
Supplies	0	0	0	0
Medical Professional	0	0	0	0
Professional Fees	0	0	0	0
Purchased Services	0	0	0	0
Repairs & Maint	0	0	0	0
Rent	0	(3,500,000)	(3,500,000)	(3,500,000)
Utilities	0	0	0	0
Recruitment	0	0	0	0
T&E	0	0	0	0
Insurance	0	0	0	0
Advertising	0	0	0	0
Bad Debt	0	0	0	0
Taxes - Non Income	0	0	0	0
Other Expenses	0	0	0	0
Total Operating Exp	0	(3,500,000)	(3,500,000)	(3,500,000)
EBITDA	\$0	\$3,500,000	\$3,500,000	\$3,500,000
<i>Margin</i>	N/A	N/A	N/A	N/A
OTHER COSTS:				
Depreciation/Amort	844,791	946,528	973,187	1,000,512
Management Fee	0	0	0	0
Interest	0	398,489	942,756	922,435
Total	844,791	1,345,017	1,915,943	1,922,948
NET INCOME	(\$844,791)	\$2,154,983	\$1,584,057	\$1,577,052

ATTACHMENT-36A

INCOME STATEMENT**Combined**

	2018	2019	2020	2021
Patient Days	8,479	15,496	25,588	45,811
ADC	23.3	42.3	70.1	125.1
Outpatient Visits	1,180	2,162	3,571	6,404
Adj. Patient Days	8,536	15,601	25,752	46,099
REVENUE:				
Inpatient Revenue	5,325,958	9,855,641	17,386,936	32,278,774
Outpatient Revenue	271,308	502,279	837,933	1,517,598
Net Patient Revenue	<u>5,597,266</u>	<u>10,357,920</u>	<u>18,224,869</u>	<u>33,796,373</u>
Other Revenue	0	0	0	0
Total Revenue	5,597,266	10,357,920	18,224,869	33,796,373
OPERATING EXPENSES:				
Salaries	4,372,994	6,324,775	8,713,518	12,770,994
Contract Labor	0	0	0	0
Incentive Compensation	230,083	257,275	263,707	270,300
Employee Benefits	830,869	1,201,707	1,655,568	2,426,489
Supplies	349,988	639,139	1,065,373	1,934,848
Medical Professional	535,942	867,196	1,344,452	2,306,476
Professional Fees	110,000	123,000	126,075	172,226
Purchased Services	537,509	670,204	798,562	1,043,734
Repairs & Maint	220,000	246,000	252,150	258,454
Rent	16,500	18,450	18,911	19,384
Utilities	387,992	433,846	444,692	455,809
Recruitment	44,000	49,200	50,430	51,691
T&E	66,000	73,800	75,645	77,536
Insurance	308,000	346,080	356,462	367,156
Advertising	55,000	61,500	63,038	64,613
Bad Debt	219,608	310,738	546,746	1,013,891
Taxes - Non Income	550,000	615,000	630,375	646,134
Other Expenses	33,000	36,900	37,823	38,768
Total Operating Exp	8,867,484	12,274,810	16,443,526	23,918,504
EBITDA	(\$3,270,218)	(\$1,916,890)	\$1,781,342	\$9,877,869
<i>Margin</i>	<i>-58%</i>	<i>-19%</i>	<i>10%</i>	<i>29%</i>
OTHER COSTS:				
Depreciation/Amort	844,791	946,528	973,187	1,000,512
Management Fee	0	0	0	0
Interest	0	398,489	942,756	922,435
Total	844,791	1,345,017	1,915,943	1,922,948
NET INCOME	(\$4,115,009)	(\$3,261,907)	(\$134,600)	\$7,954,921

<u>INCOME STATEMENT</u>	VC, LLC	VCR, LLC	Combined
<u>By Year</u>	12/31/2018	12/31/2018	12/31/2018
Patient Days	8,479	0	8,479
ADC	23	0	23
Outpatient Visits	1,180	0	1,180
Adj. Patient Days	8,536	0	8,536
REVENUE:			
Inpatient Revenue	5,325,958	0	5,325,958
Outpatient Revenue	271,308	0	271,308
Net Patient Revenue	5,597,266	0	5,597,266
Other Revenue	0	0	0
Total Revenue	5,597,266	0	5,597,266
OPERATING EXPENSES:			
Salaries	4,372,994	0	4,372,994
Contract Labor	0	0	0
Incentive Compensation	230,083	0	230,083
Employee Benefits	830,869	0	830,869
Supplies	349,988	0	349,988
Medical Professional	535,942	0	535,942
Professional Fees	110,000	0	110,000
Purchased Services	537,509	0	537,509
Repairs & Maint	220,000	0	220,000
Rent	16,500	0	16,500
Utilities	387,992	0	387,992
Recruitment	44,000	0	44,000
T&E	66,000	0	66,000
Insurance	308,000	0	308,000
Advertising	55,000	0	55,000
Bad Debt	219,608	0	219,608
Taxes - Non Income	550,000	0	550,000
Other Expenses	33,000	0	33,000
Total Operating Exp	8,867,484	0	8,867,484
EBITDA	(3,270,218)	0	(3,270,218)
<i>Margin</i>	-58%	N/A	
OTHER COSTS:			
Depreciation/Amort	0	844,791	844,791
Management Fee	0	0	0
Interest	0	0	0
Total	0	844,791	844,791
NET INCOME	(3,270,218)	(844,791)	(4,115,009)

INCOME STATEMENT**By Year****VC, LLC
12/31/2019****VCR, LLC
12/31/2019****Combined
12/31/2019**

Patient Days	15,496	0	15,496
ADC	42	0	42
Outpatient Visits	2,162	0	2,162
Adj. Patient Days	15,601	0	15,601

REVENUE:

Inpatient Revenue	9,855,641	0	9,855,641
Outpatient Revenue	502,279	0	502,279
Net Patient Revenue	10,357,920	0	10,357,920
Other Revenue	0	0	0
Total Revenue	10,357,920	0	10,357,920

OPERATING EXPENSES:

Salaries	6,324,775	0	6,324,775
Contract Labor	0	0	0
Incentive Compensation	257,275	0	257,275
Employee Benefits	1,201,707	0	1,201,707
Supplies	639,139	0	639,139
Medical Professional	867,196	0	867,196
Professional Fees	123,000	0	123,000
Purchased Services	670,204	0	670,204
Repairs & Maint	246,000	0	246,000
Rent	3,518,450	(3,500,000)	18,450
Utilities	433,846	0	433,846
Recruitment	49,200	0	49,200
T&E	73,800	0	73,800
Insurance	346,080	0	346,080
Advertising	61,500	0	61,500
Bad Debt	310,738	0	310,738
Taxes - Non Income	615,000	0	615,000
Other Expenses	36,900	0	36,900
Total Operating Exp	15,774,810	(3,500,000)	12,274,810

EBITDA	(5,416,890)	3,500,000	(1,916,890)
<i>Margin</i>	-52%	N/A	

OTHER COSTS:

Depreciation/Amort	0	946,528	946,528
Management Fee	0	0	0
Interest	0	398,489	398,489
Total	0	1,345,017	1,345,017

NET INCOME	(5,416,890)	2,154,983	(3,261,907)
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ATTACHMENT-36A

INCOME STATEMENT**By Year****VC, LLC
12/31/2020****VCR, LLC
12/31/2020****Combined
12/31/2020**

Patient Days	25,588	0	25,588
ADC	70	0	70
Outpatient Visits	3,571	0	3,571
Adj. Patient Days	25,752	0	25,752

REVENUE:

Inpatient Revenue	17,386,936	0	17,386,936
Outpatient Revenue	837,933	0	837,933
Net Patient Revenue	18,224,869	0	18,224,869
Other Revenue	0	0	0
Total Revenue	18,224,869	0	18,224,869

OPERATING EXPENSES:

Salaries	8,713,518	0	8,713,518
Contract Labor	0	0	0
Incentive Compensation	263,707	0	263,707
Employee Benefits	1,655,568	0	1,655,568
Supplies	1,065,373	0	1,065,373
Medical Professional	1,344,452	0	1,344,452
Professional Fees	126,075	0	126,075
Purchased Services	798,562	0	798,562
Repairs & Maint	252,150	0	252,150
Rent	3,518,911	(3,500,000)	18,911
Utilities	444,692	0	444,692
Recruitment	50,430	0	50,430
T&E	75,645	0	75,645
Insurance	356,462	0	356,462
Advertising	63,038	0	63,038
Bad Debt	546,746	0	546,746
Taxes - Non Income	630,375	0	630,375
Other Expenses	37,823	0	37,823
Total Operating Exp	19,943,526	(3,500,000)	16,443,526

EBITDA	(1,718,658)	3,500,000	1,781,342
<i>Margin</i>	-9%	N/A	

OTHER COSTS:

Depreciation/Amort	0	973,187	973,187
Management Fee	0	0	0
Interest	0	942,756	942,756
Total	0	1,915,943	1,915,943

NET INCOME	(1,718,658)	1,584,057	(134,600)
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INCOME STATEMENT**By Year****VC, LLC
12/31/2021****VCR, LLC
12/31/2021****Combined
12/31/2021**

Patient Days	45,811	0	45,811
ADC	125	0	125
Outpatient Visits	6,404	0	6,404
Adj. Patient Days	46,099	0	46,099

REVENUE:

Inpatient Revenue	32,278,774	0	32,278,774
Outpatient Revenue	1,517,598	0	1,517,598
Net Patient Revenue	33,796,373	0	33,796,373
Other Revenue	0	0	0
Total Revenue	33,796,373	0	33,796,373

OPERATING EXPENSES:

Salaries	12,770,994	0	12,770,994
Contract Labor	0	0	0
Incentive Compensation	270,300	0	270,300
Employee Benefits	2,426,489	0	2,426,489
Supplies	1,934,848	0	1,934,848
Medical Professional	2,306,476	0	2,306,476
Professional Fees	172,226	0	172,226
Purchased Services	1,043,734	0	1,043,734
Repairs & Maint	258,454	0	258,454
Rent	3,519,384	(3,500,000)	19,384
Utilities	455,809	0	455,809
Recruitment	51,691	0	51,691
T&E	77,536	0	77,536
Insurance	367,156	0	367,156
Advertising	64,613	0	64,613
Bad Debt	1,013,891	0	1,013,891
Taxes - Non Income	646,134	0	646,134
Other Expenses	38,768	0	38,768
Total Operating Exp	27,418,504	(3,500,000)	23,918,504

EBITDA	6,377,869	3,500,000	9,877,869
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<i>Margin</i>	19%	N/A	
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OTHER COSTS:

Depreciation/Amort	0	1,000,512	1,000,512
Management Fee	0	0	0
Interest	0	922,435	922,435
Total	0	1,922,948	1,922,948

NET INCOME	6,377,869	1,577,052	7,954,921
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ATTACHMENT-36A

BALANCE SHEET**By Year**

	VC, LLC	VCR, LLC	Combined
	12/31/2018	12/31/2018	12/31/2018
<u>Assets</u>			
Cash	\$5,740,232	\$10,000,000	\$15,740,232
Net Accounts Receivable	\$1,082,505	\$0	\$1,082,505
Total Current Assets	\$6,822,737	\$10,000,000	\$16,822,737
Fixed Assets	\$0	\$7,347,030	\$7,347,030
Less: Accum Depr.	\$0	(\$844,791)	(\$844,791)
Net Fixed Assets	\$0	\$6,502,239	\$6,502,239
Intercompany	\$0	\$0	\$0
Other Assets	\$0	\$0	\$0
Total Assets	\$6,822,737	\$16,502,239	\$23,324,976
<u>Liabilities & Equity</u>			
Accrued Expenses	\$256,476	\$0	\$256,476
Accrued Payroll	\$183,508	\$0	\$183,508
Debt, Current Portion	\$0	\$0	\$0
Capital Lease, Current Portion	\$0	\$0	\$0
Total Current Liabilities	\$439,984	\$0	\$439,984
Debt, Net of Current	\$0	\$0	\$0
Capital Lease, Net of Current	\$0	\$0	\$0
Total Liabilities	\$439,984	\$0	\$439,984
Beginning Equity	\$9,652,970	\$17,347,030	\$27,000,000
Net Income	(\$3,270,218)	(\$844,791)	(\$4,115,009)
Ending Equity	\$6,382,752	\$16,502,239	\$22,884,991
Total Liabilities & Equity	\$6,822,737	\$16,502,239	\$23,324,976

BALANCE SHEET**By Year**

	VC, LLC 12/31/2019	VCR, LLC 12/31/2019	Combined 12/31/2019
<u>Assets</u>			
Cash	\$160,605	\$5,000,000	\$5,160,605
Net Accounts Receivable	\$1,364,124	\$0	\$1,364,124
Total Current Assets	\$1,524,729	\$5,000,000	\$6,524,729
Fixed Assets	\$0	\$32,841,680	\$32,841,680
Less: Accum Depr.	\$0	(\$1,791,319)	(\$1,791,319)
Net Fixed Assets	\$0	\$31,050,361	\$31,050,361
Intercompany	\$4,522	(\$4,522)	\$0
Other Assets	\$0	\$0	\$0
Total Assets	\$1,529,251	\$36,045,839	\$37,575,090
<u>Liabilities & Equity</u>			
Accrued Expenses	\$311,376	\$0	\$311,376
Accrued Payroll	\$252,013	\$0	\$252,013
Debt, Current Portion	\$0	\$0	\$0
Capital Lease, Current Portion	\$0	\$0	\$0
Total Current Liabilities	\$563,389	\$0	\$563,389
Debt, Net of Current	\$0	\$17,388,617	\$17,388,617
Capital Lease, Net of Current	\$0	\$0	\$0
Total Liabilities	\$563,389	\$17,388,617	\$17,952,006
Beginning Equity	\$6,382,752	\$16,502,239	\$22,884,991
Net Income	(\$5,416,890)	\$2,154,983	(\$3,261,907)
Ending Equity	\$965,862	\$18,657,222	\$19,623,084
Total Liabilities & Equity	\$1,529,251	\$36,045,839	\$37,575,090

BALANCE SHEET**By Year**

	VC, LLC	VCR, LLC	Combined
	12/31/2020	12/31/2020	12/31/2020
<u>Assets</u>			
Cash	(\$592,954)	\$7,000,000	\$6,407,046
Net Accounts Receivable	\$2,263,721	\$0	\$2,263,721
Total Current Assets	\$1,670,767	\$7,000,000	\$8,670,767
Fixed Assets	\$0	\$33,030,793	\$33,030,793
Less: Accum Depr.	\$0	(\$2,764,506)	(\$2,764,506)
Net Fixed Assets	\$0	\$30,266,287	\$30,266,287
Intercompany	(\$1,711,219.28)	\$1,711,219	\$0
Other Assets	\$0	\$0	\$0
Total Assets	(\$40,453)	\$38,977,506	\$38,937,053
 <u>Liabilities & Equity</u>			
Accrued Expenses	\$381,695	\$0	\$381,695
Accrued Payroll	\$330,648	\$0	\$330,648
Debt, Current Portion	\$0	\$0	\$0
Capital Lease, Current Portion	\$0	\$0	\$0
Total Current Liabilities	\$712,343	\$0	\$712,343
Debt, Net of Current	\$0	\$18,736,227	\$18,736,227
Capital Lease, Net of Current	\$0	\$0	\$0
Total Liabilities	\$712,343	\$18,736,227	\$19,448,569
Beginning Equity	\$965,862	\$18,657,222	\$19,623,084
Net Income	(\$1,718,658)	\$1,584,057	(\$134,600)
Ending Equity	(\$752,795)	\$20,241,279	\$19,488,484
Total Liabilities & Equity	(\$40,453)	\$38,977,506	\$38,937,053

BALANCE SHEET**By Year**

	VC, LLC 12/31/2021	VCR, LLC 12/31/2021	Combined 12/31/2021
<u>Assets</u>			
Cash	\$6,156,055	\$7,000,000	\$13,156,055
Net Accounts Receivable	\$3,970,769	\$0	\$3,970,769
Total Current Assets	\$10,126,824	\$7,000,000	\$17,126,824
Fixed Assets	\$0	\$33,224,633	\$33,224,633
Less: Accum Depr.	\$0	(\$3,765,018)	(\$3,765,018)
Net Fixed Assets	\$0	\$29,459,615	\$29,459,615
Intercompany	(\$3,515,103)	\$3,515,103	\$0
Other Assets	\$0	\$0	\$0
Total Assets	\$6,611,720	\$39,974,718	\$46,586,438
<u>Liabilities & Equity</u>			
Accrued Expenses	\$539,249	\$0	\$539,249
Accrued Payroll	\$447,398	\$0	\$447,398
Debt, Current Portion	\$0	\$0	\$0
Capital Lease, Current Portion			
Total Current Liabilities	\$986,647	\$0	\$986,647
Debt, Net of Current	\$0	\$18,156,386	\$18,156,386
Capital Lease, Net of Current	\$0	\$0	\$0
Total Liabilities	\$986,647	\$18,156,386	\$19,143,034
Beginning Equity	(\$752,795)	\$20,241,279	\$19,488,484
Net Income	\$6,377,869	\$1,577,052	\$7,954,921
Ending Equity	\$5,625,073	\$21,818,332	\$27,443,405
Total Liabilities & Equity	\$6,611,720	\$39,974,718	\$46,586,438

BALANCE SHEET**By Entity****V Covington, LLC**

	12/31/2018	12/31/2019	12/30/2020	12/31/2021
<u>Assets</u>				
Cash	\$5,740,232	\$160,605	(\$592,954)	\$6,156,055
Net Accounts Receivable	\$1,082,505	\$1,364,124	\$2,263,721	\$3,970,769
Total Current Assets	\$6,822,737	\$1,524,729	\$1,670,767	\$10,126,824
Fixed Assets	\$0	\$0	\$0	\$0
Less: Accum Depr.	\$0	\$0	\$0	\$0
Net Fixed Assets	\$0	\$0	\$0	\$0
Intercompany	\$0	\$4,522	(\$1,711,219)	(\$3,515,103)
Other Assets	\$0	\$0	\$0	\$0
Total Assets	\$6,822,737	\$1,529,251	(\$40,453)	\$6,611,720
<u>Liabilities & Equity</u>				
Accrued Expenses	\$256,476	\$311,376	\$381,695	\$539,249
Accrued Payroll	\$183,508	\$252,013	\$330,648	\$447,398
Debt, Current Portion	\$0	\$0	\$0	\$0
Capital Lease, Current Portion	\$0	\$0	\$0	\$0
Total Current Liabilities	\$439,984	\$563,389	\$712,343	\$986,647
Debt, Net of Current	\$0	\$0	\$0	\$0
Capital Lease, Current Portion	\$0	\$0	\$0	\$0
Total Liabilities	\$439,984	\$563,389	\$712,343	\$986,647
Beginning Equity	\$9,652,970	\$6,382,752	\$965,862	(\$752,795)
Net Income	(\$3,270,218)	(\$5,416,890)	(\$1,718,658)	\$6,377,869
Ending Equity	\$6,382,752	\$965,862	(\$752,795)	\$5,625,073
Total Liabilities & Equity	\$6,822,737	\$1,529,251	(\$40,453)	\$6,611,720

BALANCE SHEET**By Entity****V Covington Realty, LLC**

	12/31/2018	12/31/2019	12/30/2020	12/31/2021
<u>Assets</u>				
Cash	\$10,000,000	\$5,000,000	\$7,000,000	\$7,000,000
Net Accounts Receivable	\$0	\$0	\$0	\$0
Total Current Assets	\$10,000,000	\$5,000,000	\$7,000,000	\$7,000,000
Fixed Assets	\$7,347,030	\$32,841,680	\$33,030,793	\$33,224,633
Less: Accum Depr.	(\$844,791)	(\$1,791,319)	(\$2,764,506)	(\$3,765,018)
Net Fixed Assets	\$6,502,239	\$31,050,361	\$30,266,287	\$29,459,615
Intercompany	\$0	(\$4,522)	\$1,711,219	\$3,515,103
Other Assets	\$0	\$0	\$0	\$0
Total Assets	\$16,502,239	\$36,045,839	\$38,977,506	\$39,974,718
<u>Liabilities & Equity</u>				
Accrued Expenses	\$0	\$0	\$0	\$0
Accrued Payroll	\$0	\$0	\$0	\$0
Debt, Current Portion	\$0	\$0	\$0	\$0
Capital Lease, Current Portion	\$0	\$0	\$0	\$0
Total Current Liabilities	\$0	\$0	\$0	\$0
Debt, Net of Current	\$0	\$17,388,617	\$18,736,227	\$18,156,386
Capital Lease, Current Portion	\$0	\$0	\$0	\$0
Total Liabilities	\$0	\$17,388,617	\$18,736,227	\$18,156,386
Beginning Equity	\$17,347,030	\$16,502,239	\$18,657,222	\$20,241,279
Net Income	(\$844,791)	\$2,154,983	\$1,584,057	\$1,577,052
Ending Equity	\$16,502,239	\$18,657,222	\$20,241,279	\$21,818,332
Total Liabilities & Equity	\$16,502,239	\$36,045,839	\$38,977,506	\$39,974,718

BALANCE SHEET**By Entity****Combined**

	12/31/2018	12/31/2019	12/30/2020	12/31/2021
<u>Assets</u>				
Cash	\$15,740,232	\$5,160,605	\$6,407,046	\$13,156,055
Net Accounts Receivable	\$1,082,505	\$1,364,124	\$2,263,721	\$3,970,769
Total Current Assets	\$16,822,737	\$6,524,729	\$8,670,767	\$17,126,824
Fixed Assets	\$7,347,030	\$32,841,680	\$33,030,793	\$33,224,633
Less: Accum Depr.	(\$844,791)	(\$1,791,319)	(\$2,764,506)	(\$3,765,018)
Net Fixed Assets	\$6,502,239	\$31,050,361	\$30,266,287	\$29,459,615
Intercompany	\$0	\$0	\$0	\$0
Other Assets	\$0	\$0	\$0	\$0
Total Assets	\$23,324,976	\$37,575,090	\$38,937,053	\$46,586,438
<u>Liabilities & Equity</u>				
Accrued Expenses	\$256,476	\$311,376	\$381,695	\$539,249
Accrued Payroll	\$183,508	\$252,013	\$330,648	\$447,398
Debt, Current Portion	\$0	\$0	\$0	\$0
Capital Lease, Current Portion	\$0	\$0	\$0	\$0
Total Current Liabilities	\$439,984	\$563,389	\$712,343	\$986,647
Debt, Net of Current	\$0	\$17,388,617	\$18,736,227	\$18,156,386
Capital Lease, Current Portion	\$0	\$0	\$0	\$0
Total Liabilities	\$439,984	\$17,952,006	\$19,448,569	\$19,143,034
Beginning Equity	\$27,000,000	\$22,884,991	\$19,623,084	\$19,488,484
Net Income	(\$4,115,009)	(\$3,261,907)	(\$134,600)	\$7,954,921
Ending Equity	\$22,884,991	\$19,623,084	\$19,488,484	\$27,443,405
Total Liabilities & Equity	\$23,324,976	\$37,575,090	\$38,937,053	\$46,586,438

CASH FLOW STATEMENTBy Year

	<u>Year to Date for Year Ending on</u>		<u>12/31/2018</u>
	VC, LLC	VCR, LLC	Combined
Cash Flows from Operating Activities			
Net Income (Loss)	(\$3,270,218)	(\$844,791)	(\$4,115,009)
Adjustments to Operating Activities:			
D&A	\$0	\$844,791	\$844,791
Change in Working Capital	(\$642,521)	\$0	(\$642,521)
Cash Flow from Investing Activities			
Capex	\$0	(\$7,347,030)	(\$7,347,030)
Cash Flow from Financing Activities			
Contributed Capital	\$9,652,970	\$17,347,030	\$27,000,000
Debt	\$0	\$0	\$0
Intercompany	\$0	\$0	\$0
Net Change in Cash & Cash Equivalents	\$5,740,232	\$10,000,000	\$15,740,232
Cash Beginning of Year	\$0	\$0	\$0
Cash End of Year	\$5,740,232	\$10,000,000	\$15,740,232
Cash Balance - Balance Sheet	\$5,740,232	\$10,000,000	\$15,740,232

CASH FLOW STATEMENTBy Year

	<u>Year to Date for Year Ending on</u>		<u>12/31/2019</u>
	VC, LLC	VCR, LLC	Combined
Cash Flows from Operating Activities			
Net income (Loss)	(\$5,416,890)	\$2,154,983	(\$3,261,907)
Adjustments to Operating Activities:			
D&A	\$0	\$946,528	\$946,528
Change in Working Capital	(\$158,214)	\$0	(\$158,214)
Cash Flow from Investing Activities			
Capex	\$0	(\$25,494,650)	(\$25,494,650)
Cash Flow from Financing Activities			
Contributed Capital	\$0	\$0	\$0
Debt	\$0	\$17,388,617	\$17,388,617
Intercompany	(\$4,522)	\$4,522	\$0
Net Change in Cash & Cash Equivalents	(\$5,579,627)	(\$5,000,000)	(\$10,579,627)
Cash Beginning of Year	\$5,740,232	\$10,000,000	\$15,740,232
Cash End of Year	\$160,605	\$5,000,000	\$5,160,605
Cash Balance - Balance Sheet	\$160,605	\$5,000,000	\$5,160,605

CASH FLOW STATEMENTBy Year

	<u>Year to Date for Year Ending on</u>		<u>12/31/2020</u>
	VC, LLC	VCR, LLC	Combined
Cash Flows from Operating Activities			
Net Income (Loss)	(\$1,718,658)	\$1,584,057	(\$134,600)
Adjustments to Operating Activities:			
D&A	\$0	\$973,187	\$973,187
Change in Working Capital	(\$750,643)	\$0	(\$750,643)
Cash Flow from Investing Activities			
Capex	\$0	(\$189,112)	(\$189,112)
Cash Flow from Financing Activities			
Contributed Capital	\$0	\$0	\$0
Debt	\$0	\$1,347,610	\$1,347,610
Intercompany	\$1,715,742	(\$1,715,742)	\$0
Net Change in Cash & Cash Equivalents	(\$753,559)	\$2,000,000	\$1,246,441
Cash Beginning of Year	\$160,605	\$5,000,000	\$5,160,605
Cash End of Year	(\$592,954)	\$7,000,000	\$6,407,046
Cash Balance - Balance Sheet	(\$592,954)	\$7,000,000	\$6,407,046

CASH FLOW STATEMENT

By Year

	Year to Date for Year Ending on		12/31/2021
	VC, LLC	VCR, LLC	Combined
Cash Flows from Operating Activities			
Net Income (Loss)	\$6,377,869	\$1,577,052	\$7,954,921
Adjustments to Operating Activities:			
D&A	\$0	\$1,000,512	\$1,000,512
Change in Working Capital	(\$1,432,744)	\$0	(\$1,432,744)
Cash Flow from Investing Activities			
Capex	\$0	(\$193,840)	(\$193,840)
Cash Flow from Financing Activities			
Contributed Capital	\$0	\$0	\$0
Debt	\$0	(\$579,840)	(\$579,840)
Intercompany	\$1,803,884	(\$1,803,884)	\$0
Net Change in Cash & Cash Equivalents	\$6,749,009	\$0	\$6,749,009
Cash Beginning of Year	(\$592,954)	\$7,000,000	\$6,407,046
Cash End of Year	\$6,156,055	\$7,000,000	\$13,156,055
Cash Balance - Balance Sheet	\$6,156,055	\$7,000,000	\$13,156,055

SECTION IX – 1120.140 – ECONOMIC FEASIBILITY Continued

Economic Feasibility

A. Reasonableness of Financing Arrangements

The applicant shall document the reasonableness of financing arrangements by submitting a notarized statement signed by an authorized representative that attests to one of the following:

2. That the total estimated project costs and related costs will be funded in total or in part by borrowing because:

Appended as ATTACHMENT-37A, is a letter from the owner signed by James Cha, US HealthVest, LLC CFO addressing reasonableness of financing arrangements.

B. Conditions of Debt Financing

This criterion is applicable only to projects that involve debt financing. The applicant shall document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

A notarized statement from James Cha, US HealthVest, LLC CFO documenting conditions of debt financing as reasonable is appended as ATTACHMENT-37B.

D. Projected Operating Costs

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

	2021	
Salaries	\$12,770,994	
Benefits	\$2,426,489	
Supplies	\$1,934,848	
Patient Days @ 85%		45,296.5
Total/Operating Cost/PT Day	\$17,132,331	\$378.23

E. Total Effect of the Project on Capital Costs

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

	2021	
Depreciation	\$1,000,512	
Interest Expense	\$922,435	
Amortization		
Real Estate Taxes	\$646,134	
Patient Days @ 85%		45,296.5
Total/Operating Cost/PT Day	\$2,569,081	\$56.72

ATTACHMENT – 37

US HealthVest

September 11, 2017

Ms. Courtney Avery
Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, Illinois 62761

RE: Certificate of Need Application for
Vista West Behavioral Hospital;
Reasonableness of financing
arrangements

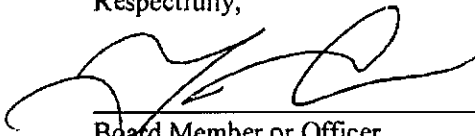
Dear Ms. Avery:

A. Reasonableness of Financing Arrangements

The applicant shall document the reasonableness of financing arrangements by submitting a notarized statement signed by an authorized representative that attests to one of the following:

1. That the total estimated project costs and related costs will be funded in total or in part by borrowing because:
 - A. A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for Hospitals; or
 - B. Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

Respectfully,

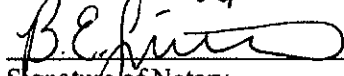


Board Member or Officer

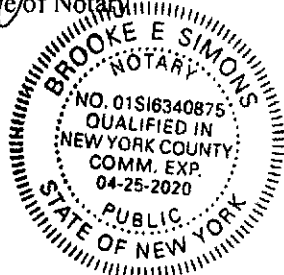
Board Member or Officer

Notarization:

Subscribed and sworn to before me
this 11th day of September 2017



Signature of Notary
Seal



Notarization:

Subscribed and sworn to before me
this ____ day of _____

Signature of Notary
Seal

32 East 57th Street
17th Floor
New York, New York 10022
T 212.243.5565 • F 212.243.1099
www.ushealthvest.com

ATTACHMENT-37A

US HealthVest

September 11, 2017

Ms. Courtney Avery
Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street, Second Floor
Springfield, Illinois 62761

RE: **Certificate of Need Application for Vista
West Behavioral Hospital; conditions of debt
financing**


Dear Ms. Avery:

B. Conditions of Debt Financing

This criterion is applicable only to projects that involve debt financing. The applicant shall document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

1. That the selected form of debt financing for the project will be at the lowest net cost available;
2. That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;
3. That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

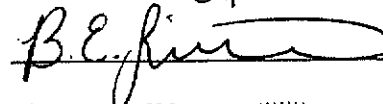
Respectfully,


Board Member or Officer

Board Member or Officer

Notarization:

Subscribed and sworn to before me
this 11th day of September 2017


Signature of Notary

Seal



Notarization:

Subscribed and sworn to before me
this ____ day of _____

Signature of Notary

Seal

32 East 57th Street
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New York, New York 10022
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ATTACHMENT-37B

SECTION X – SAFETY NET IMPACT STATEMENT Continued I

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL SUBSTANTIVE AND DISCONTINUATION PROJECTS:

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.

Vista West Behavioral Hospital will not have a negative impact on essential safety net services in the community. Moreover, these safety net services to the A-09/A-08 Planning Areas will be enhanced by working with healthcare providers and clinicians in the community within the existing safety net services and providing a full continuum of psychiatric care. Vista West Behavioral Hospital will operate 24 hours a day / 7 days a week to respond to crisis situations. Vista West Behavioral Hospital will also provide free initial assessments to determine how best to help individuals. We are committed to collaborating with every agency to participate within any agency's safety net protocols. We assist all patients, regardless of ability to pay. As the project unfolds we will commit to meetings that help define our role in working closely with all providers.

2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.

Vista West Behavioral Hospital will provide services that compliment healthcare providers and clinicians. Through the process of free initial assessments, Vista West Behavioral Hospital will be able to match a person's specific mental health needs with community services that match affordability. Traditional outpatient settings do not provide free assessments and do not provide specialized services for specific populations. For example, Vista West Behavioral Hospital may offer a specialized program for women, a specialized program for veterans, a faith-based program, and a private crisis stabilization unit. Vista West Behavioral Hospital will not duplicate traditional outpatient services. Rather, Vista West Behavioral Hospital will integrate services for all ages. Given **US HealthVest's** commitment to treating the AMI population which

ATTACHMENT-38

SECTION X – SAFETY NET IMPACT STATEMENT Continued II

includes a significant percentage of Medicaid patients, this project will facilitate the freeing up of resources at other area facilities also committed to Medicaid populations. Many emergency rooms are inundated with AMI populations dependent upon Medicaid as their primary source of insurance, yet are facing facilities without the expertise to fully address their needs. Having this AMI hospital available to treat this population frees up other resources that can be committed to the existing Medicaid population. This is especially true for Vista West Behavioral Hospital whose commitment to the community and to the Medicaid population will continue in its full-service acute care hospital.

3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

This item is not applicable as this project is not part of a discontinuation. Instead, this project proposes the enhancement of existing AMI beds and services through the renovation and expansion of the Vista West Behavioral Hospital's existing service

Safety Net Impact Statements shall also include all of the following:

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.

The Certificate of Exemption Application for change of ownership was filed on September 12, 2017 with the Health Facilities and Services Review Board. Therefore, this Applicant does not have prior history.

2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.

ATTACHMENT-38

SECTION X – SAFETY NIT IMPACT STATEMENT Continued iii

The following chart sets forth the amount of charity, free and discounted care provided by Vista Medical Center West (previous owner) in the last 3 calendar years as reported to IDPH on its annual hospital questionnaires.

Vista Medical Center West - Charity, Free & Discounted Care			
	2014	2015	2016
Net Patient Revenue	\$ 20,375,045	\$ 20,817,752	\$ 20,936,392
Cost of Free and Discounted Care	\$ 326,282	\$ 908,633	\$ 691,326
Gross Free and Discounted Care	\$ 3,879,431	\$ 5,288,207	\$ 4,023,489
Cost of Charity Care Only	\$ 144,381	\$ 115,016	\$ 104,201
Gross Charity Care Only	\$ 840,289	\$ 669,391	\$ 606,447

The following chart sets forth the amount of charity care provided by Chicago Behavioral Hospital in the last two fiscal years as reported on its annual hospital questionnaires. CBH acquired Maryville Behavioral Health Hospital from Maryville Academy on November 3, 2014; hence, YR 2014 is only a stub year. The Board approved the COE associated with that transaction on August 27, 2014 (HFSRB Project #E-016-14).

Chicago Behavioral Hospital		
	FY 2015	FY 2016
Number of Inpatient Charity Care Patients	3	55
Number of Outpatient Charity Care Patients	1	6
Total Number of Charity Care Patients	4	61
Inpatient Charity Care Expense	\$ 20,124	\$ 212,646
Outpatient Charity Care Expense	\$ 244	\$ 2,141
Total Charity Care Expense	\$ 20,368	\$ 214,787
Inpatient Cost of Charity Care	\$ 17,130	\$ 250,789
Outpatient Cost of Charity Care	\$ 194	\$ 4,757
Total Cost of Charity Care	\$ 17,324	\$ 255,546

The following chart sets for the amount of care provided to Medicaid patients by CBH as reported by the facility on its annual hospital questionnaires.

ATTACHMENT-38

SECTION X – SAFETY NIT IMPACT STATEMENT Continued iv

Chicago Behavioral Hospital		
	FY 2015	FY 2016
Number of Inpatient Medicaid Patients	982	2,086
Number of Outpatient Medicaid Patients	79	183
Total Number of Medicaid Patients	1,061	2,269
Inpatient Medicaid Revenues	\$ 6,163,985	\$ 2,430,908
Outpatient Medicaid Revenues	\$ 75,335	\$ 27,634
Total Medicaid Revenues	\$ 6,239,320	\$ 2,458,542

The following chart sets for the amount of care provided to Self-Pay patients by CBH as reported by the facility on its annual hospital questionnaires.

Chicago Behavioral Hospital		
	FY 2015	FY 2016
Number of Inpatient Self-Pay Patients	3	8
Number of Outpatient Self-Pay Patients	0	2
Total Number of Self-Pay Patients	3	10
Inpatient Self-Pay Revenues	\$ 18,038	\$ 24,810
Outpatient Self-Pay Revenues	\$ -	\$ 2,550
Total Self-Pay Revenues	\$ 18,038	\$ 27,360

It is estimated that the resultant payor mix will resemble that at CBH, therefore, the proposed payor mix is expected to be as follows:

Tri-Care:	2.4%
Medicare:	37.4%
Medicaid:	34.0%
Managed Care	23.3%
Charity Care:	1.5%
Self Pay:	1.5%

SECTION XI – CHARITY CARE INFORMATION Continued I

Charity Care information **MUST** be furnished for **ALL** projects [1120.20(c)].

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three audited fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.

Chicago Behavioral Hospital's charity care for the last two fiscal years and an estimate for FY 2016 is set forth below.

Chicago Behavioral Hospital			
	FY 2014	FY 2015	FY 2016 (Est.)
Total Net Patient Revenue	\$ 827,152	\$ 15,620,306	\$ 31,598,935
Amount of Charity Care (Charges)	\$ -	\$ 20,368	\$ 214,787
Cost of Charity Care	\$ -	\$ 17,324	\$ 255,545
Cost of Charity Care/Total Net Patient Ratio	0.0%	0.1%	0.8%

As this facility is has recently changes ownership, the proposed charity care patient day, charges, and cost are set forth in the chart below.

Proposed Vista West Behavioral Hospital			
	2019	2020	2021
Charity Care Patient Days	86	152	282
Charity Care Charges	\$ 155,369	\$ 273,373	\$ 506,946
Charity Care Cost	\$ 184,122	\$ 246,653	\$ 358,778
Charity Care Cost / Net Patient Revenue	1.8%	1.4%	1.1%

Please refer to **ATTACHMENT-39A**, which is copy of the Vista Health System's charity care policy. It should be known that the payer mix in the behavioral health department of the Vista System is more skewed toward the Medicaid and self-pay patients than the combined total of the entire system. Moreover, the payer mix of Vista West Behavioral Hospital will more closely resemble that of the system's behavioral health beds. Therefore, through the signing of the Certification pages of this application, the resultant Applicant entities affirm that it will not adopt a more restrictive charity care policy. Appended as **ATTACHMENT-39B**, is the proposed draft charity care policy which essentially adopts the previous policy.

ATTACHMENT-39

VISTA HEALTH SYSTEM

Subject:	Originally Issued	Date of This Revision
CHARITY CARE POLICY	3/1/05	4/29/16

POLICY STATEMENT:

In order to serve the health care needs of our community, Vista Health System will provide Free Care (hereinafter referred to as "Free Care") to patients without financial means to pay for *Inpatient, Emergency Room hospital services and Medically Necessary Out Patient Services (according to Medicare Medical Necessity Guidelines)*.

Free Care will be provided to all patients without regard to race, sex, sexual orientation, ethnicity, religion, color, or national origin and who are classified as financially indigent or medically indigent according to the hospital's eligibility criteria.

All capitalized terms herein are defined on Appendix A hereto.

PURPOSE:

To properly identify those patients who are financially indigent, medically indigent or who meet presumptive eligibility criteria, who do not qualify for state and/or government assistance, and to provide assistance with their Medically Necessary care.

ELIGIBILITY FOR FREE CARE

I. FINANCIALLY INDIGENT:

- A. A financially indigent patient is a person who is uninsured, and is accepted for care with no obligation to pay for services rendered based on the hospital's eligibility criteria as set forth in this Policy.
- B. To be eligible for Free Care as a financially indigent patient, the patient's total Household Income shall be as specified in Appendix B or C hereto. The hospital may consider other financial assets and liabilities for the person when determining eligibility.
- C. The hospital will use the most current Federal Poverty Income Guidelines issued by the U.S. Department of Health and Human Services to determine an individual's eligibility for Free Care as a financially indigent patient. The Federal Poverty Income Guidelines are published in the Federal Register in January or February of each year and for the purposes of this Policy will become effective

the first day of the month following the month of publication, even if the guidelines attached to the Policy or posted on the Website are outdated.

- D. In no event will the hospital establish eligibility criteria for financially indigent patients which sets the income level for Free Care lower than that required for counties under the State Indigent Health Care and Treatment Act, or higher than 300% of the current Federal Poverty Income Guidelines. However, the hospital may adjust the eligibility criteria from time to time based on the financial resources of the hospital and as necessary to meet the Free Care needs of the community.
- E. Patients covered by out of state Medicaid where the hospital is not an authorized provider and where the out of state Medicaid enrollment or reimbursement makes it prohibitive for the hospital to become a provider, will be eligible for Free Care upon verification of Medicaid coverage for the service dates. No other documents will be required in order to approve the Free Care application. The patient will not be required to apply for Financial Assistance to obtain Free Care. The hospital may submit the application and verification of Medicaid coverage in another State as proof of qualification.

2. **MEDICALLY INDIGENT:**

- A. A medically indigent patient is a person whose medical bills after payment by third party payers exceed a specified percentage of the person's annual gross income as defined herein and who is unable to pay the remaining bill.
- B. Patients covered under state Medical Assistance programs that owe copayments or have a 'spend down' amount are excluded from being considered for Free Care assistance. Payment of copayments and spend down amounts are a condition of coverage and should not be written off or discounted.
- C. The maximum amount the Hospital may collect in a 12-month period from an eligible patient is 25% of the patient's Family Income. The twelve month period begins on the date of service for which the hospital first determines the patient is eligible for the discount. The hospital may exclude a patient from the 25% maximum collectible amount who has substantial assets (defined as a value in excess of 600% FPL in urban areas/300% FPL at CAH and rural areas). Certain assets cannot be considered: primary residence, personal property exempt from collections under Section 5-12-1001 of the Illinois Code of Civil Procedure, and any amounts held in a pension or retirement plan.
- D. A determination of the patient's ability to pay the remainder of the bill, or portion of the bill, will be based on whether the patient reasonably can be expected to pay the account, or portion thereof, over a 3-year period.
- E. The patient may be eligible for a charity discount for any amount beyond what the patient is expected to pay over a 3-year period.

- F. If a determination is made that a patient had the ability to pay the remainder of the bill, such a determination does not prevent a reassessment of the patient's ability to pay at a later date should there be a change in the patient's financial status.

3. FREE CARE PRESUMPTIVE ELIGIBILITY:

- A. A presumptively eligible patient is an uninsured person who qualifies for financial assistance based on the demonstration of participation in one of several categories, some that are mandated categories and other categories that a hospital may consider.
- B. The mandatory categories are intended to reflect the new free care mandate included in the 2012 amendment to the Hospital Uninsured Patient Discount Act (HUDPA) legislation at urban hospitals for uninsured patients up to 200% of the federal poverty level (FPL) and 125% of FPL at rural and critical access hospitals (CAHs).
- C. All hospitals mandated categories:
1. Homelessness
 2. Deceased with no estate
 3. Mental incapacitation - no one to act on behalf
 4. Medicaid eligibility - not on date of service/ or for non-covered service
 5. Community programs that treat patients based on their income being lower than the federal poverty guideline (example: Vista patients referred by Health Reach Clinic, a local Free Care clinic where the hospital is a sponsor of their indigent program will be eligible for Free Care under completion of proper application using the same Federal Poverty Income Guidelines)
 6. Enrollment in the following programs with criteria at or below 200% of the then current Federal Poverty Guidelines:
 - a. Women, Infants, Children - WIC
 - b. Supplemental Nutrition Assistance Program - SNAP
 - c. Free Lunch and Breakfast Program, or Subsidized School Lunch
 - d. Low Income Home Energy Assistance Program - LIHEAP
 - e. Grant assistance for medical services
 - f. Temporary Assistance for Needy Families - TANF

g. Housing Development Authority Support Program

7. Incarceration in a Penal Institution with no family income or assets

4. **REPORTING:**

- A. The Hospital shall report annually to the Office of the Attorney General's Office on the number of Applications completed and approved; the number of Applications completed and not approved; and the number of Applications started but not completed.

5. **THE PROCESS**

- A. The hospital maintains posted signs, in English, *Exhibit "B"* and Spanish, *Exhibit "C"*, and in any other language which is spoken by 5% or more of the Hospital's patients one in each admitting and/or registration offices and one in the emergency lobby that inform customers that Financial Assistance is available and the Financial Assistance criteria.
- B. All self-pay patients will be identified as quickly as possible and will be asked to complete the Financial Assistance application "FA" during the registration or financial counseling process (or if they provide information or the Hospital can obtain information that meets the Presumptive eligibility requirements a FA will not be required).
- C. Hospital will post information regarding the availability of Free Care for both uninsured and insured patients on the hospital's web site, along with the application for Financial Assistance. In addition, Hospital will provide a copy of the Financial Assistance application and information relating to Financial Assistance upon both registration and discharge.
- D. Hospital will provide information on all billing notices about the availability of Free Care and/or Financial Assistance.
- E. All self-pay accounts will be screened for potential Medicaid eligibility as well as coverage by other sources, including governmental programs. During this screening process an "FA" will be completed if it is determined that the patient does not appear to qualify for coverage under any program.
- F. The "FA" will be sent to the Business Office for final determination by the Financial Counselor or Business Office Director.
- G. If the Financial Counselor determines through the application and documented support that the patient qualifies for Free Care she/he will give the completed and approved "FA" to the BOD for approval authorization, prior to write off.
- H. For those patients that do not meet Presumptive Eligibility requirements, the following documents will be required, subject to availability, to process a

Financially Assistance application: current monthly expenses/bills, previous year's income tax return, current employers check stub, proof of any other income, bank statements for prior 3 months, and all other medical bills. Where the patient/guarantor indicates they do not file federal tax returns, the hospital will request that the patient/guarantor complete IRS form 4506-T (Request for Transcript of Tax Return). The patient/guarantor should complete lines 1-5 after the hospital has completed lines 6-9. Hospital will complete line 6 by entering '1040', will check boxes 6(a) and box 7. In box 9, hospital will enter prior year and prior 3 years. (Exhibit E-example and a blank form).

- I. To be eligible under the Presumptive Eligibility criteria, proof of one of the mandated categories or additional criteria must be included with the Financial Assistance application.
- J. The Financial Counselor will contact any vendor who may be working the account, to stop all collection efforts on the account.
- K. Once approved for Free Care the account will be moved to the appropriate financial class until the adjustment is processed and posted/credited to the account. After the adjustment is posted, if there is a remaining balance due from the patient, the financial class will be changed to self-pay.
- L. If the "FA" is incomplete it will be the responsibility of the Financial Counselor to contact the patient via mail or phone to obtain the required information.
- M. The Fair Patient Billing Act (FPBA) states that a patient has at least 60 days from date of service to submit a "FA" application. Applications that remain incomplete after 30 days of 'request of information', and determination has been made that patient does not qualify for Medicaid, may be denied or submitted to the CFO for consideration/approval.
- N. The application may be reopened and reconsidered Free Care once the required information is received, providing the account has not been written off to bad debt.
- O. The Business Office Director, Assistant BOD or Patient Access Manager is responsible for reviewing every application to make sure required documents are attached, prior to submitting to CFO or CEO for review and approval. All fields on the application must be completed properly. Drawing lines through fields such as income is not appropriate. If the income is zero, zeros must be entered.
- P. Medicaid patients who receive covered services that meet Medicare medical necessity criteria, but have exhausted state benefit limits (IE limited IP days or limited annual ER visits, for example), will not be required to provide any supporting documents, providing verification of Medicaid coverage for the service dates indicates patient is covered.

- Q. Once an account has been written off to bad debt, the patient will not be allowed to apply for Free Care.
- S. Free Care shall be available for those patients who are legal Illinois residents and unless otherwise provided, Non-Residents who are uninsured are not eligible for Free Care.

6. FACTOR TO BE CONSIDERED FOR FREE CARE DETERMINATION

- A. The following factors are to be considered in determining the eligibility of the patient for Free Care:
 - 1. Gross Income
 - 2. Family Size
 - 3. Employment status and future earning capacity
 - 4. Other financial resources
 - 5. Other financial obligations
 - 6. The amount and frequency of hospital and other medical bills
- B. The income guidelines necessary to determine the eligibility for Free Care are attached on *Exhibits "B" and "C"*. The current Federal Poverty Guidelines are attached as *Exhibit "D"* and they include the definition of the following:
 - 1. Family
 - 2. Income

7. FAILURE TO PROVIDE APPROPRIATE INFORMATION

- A. Failure to provide information necessary to complete an application request for Free Care within 30 days of the request may result in a negative determination. If the patient and/or family member submits an incomplete application for Free Care, the Hospital will within ten (10) business days (1) suspend any Extraordinary Collection Activity ("ECA") against the patient; (2) provide a written notification that describes what additional information or documentation is needed and includes a Plain Language Summary of the Program; and (3) provide at least one written notice informing the patient about the ECAs that might be taken (or resumed) if an application is not completed or payment made by a deadline specified in the written notice, which shall be no earlier than 30 days from the date of the written notice or the last day of the application period.
- B. The account may be reconsidered upon receipt of the required information, providing the account has not been written off to bad debt.

- C. If at any time during the review process it becomes apparent that an Applicant for Free Care has withheld relevant information, provided false information or provided inaccurate information, as evidenced by information obtained through credit agencies or other available sources, and the Applicant is unable to resolve discrepancies to the satisfaction of the Hospital, the Applicant may be disqualified for Financial Assistance, which shall result in the resumption of routine collection efforts until such discrepancies are resolved. The provision of a questionable social security number shall not result in automatic disqualification for Financial Assistance.
- D. Free care will only be applied to true self-pay balances, after all third party benefits/resources are reasonably exhausted, including but not limited to, benefits from insurance carriers, government programs or proceeds from litigation and/or settlements. Patients requesting Financial Assistance must, whenever possible, be screened for eligibility for Medicaid or Health Insurance Exchange coverage and, if found eligible, the patient must fully cooperate with enrollment requirements. Failure to cooperate or enroll in available Medicaid or Health Insurance Exchange coverage may result in denial of a request for Financial Assistance.

8. EXCEPTION TO DOCUMENTATION REQUIREMENTS

The CFO may waive the documentation requirements and approve a case for Free Care: at his/her sole discretion based on their belief the patient does/should qualify for Free Care. The amount or percentage of Free Care discount will be left to the CFO's discretion. Waiver of the documentation requirements should be noted in the comments section on the patient's account, as well as the percent or dollar amount approved for Free Care adjustment, printed out and attached to the Financial Assistance (FA) form.

9. TIME FRAME FOR ELIGIBILITY DETERMINATION

A determination of eligibility will be made by the Business Office within 30 working days after the receipt of all information necessary to make a determination.

10. DOCUMENTATION OF ELIGIBILITY DETERMINATION AND APPROVAL OF WRITE-OFF


Once the eligibility determination has been made, the results will be documented in the comments section on the patient's account and the completed and approved "FA" will be filed attached to the adjustment sheet and maintained for audit purposes. The CEO, CFO, BOD will signify their review and approval of the write-off by signing the bottom of the Free Care/Financial Assistance Program Application form. The signature requirements will be based on the QHIC financial policy for approving adjustments. The Patient will be notified immediately and any billing and collection activity will cease.

11. REPORTING OF FREE CARE

Information regarding the amount of Free Care provided by the hospital, based on the hospital's fiscal year, shall be aggregated and included in the annual report filed with the Bureau of State Health Data and Process Analysis at the State Department of Health. These reports also will include information concerning the provision of government sponsored indigent health care and other county benefits. (Only for those states that require).

12. POLICY REVIEW AND APPROVAL

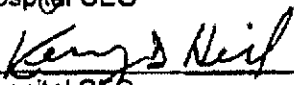
The below individuals have read and approved this policy: These parties shall assure that controls are in place to assess patient program eligibility in accordance with applicable law, that will track billing and maintain information on patient applications and eligibility for FA, that the Hospital bills eligible patients the same as those with insurance, that monitor referral to collection agencies pursuant to any policy relative to same and that the availability of FA is communicated to the Hospital's patients as provided for herein.



Hospital CEO

4/29/16

Date



Hospital CEO

4/29/16

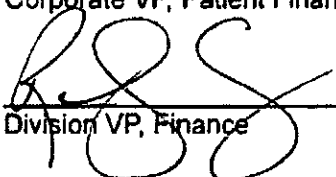
Date



Corporate VP, Patient Financial Services

5-20-16

Date



Division VP, Finance

5-25-16

Date

Appendix A Definitions

Affiliates: Those entities controlled by, controlling, or under common control with Hospital. For purposes of this policy, the term "Affiliates" does not include Hospital affiliates that are legally or otherwise restricted from adopting this policy.

Amounts Generally Billed: Charges for medically necessary services shall be limited to no more than amounts generally billed to individuals who have insurance covering such care ("AGB").

- i. In calculating the AGB, the Hospital has selected the "look-back" method whereby the AGB is determined based on actual past claims paid to the Hospital by Medicare fee-for-service together with all private health insurers paying claims to the Hospital.
- ii. The AGB percentage will be calculated at least annually by dividing the sum of all claims that have been paid in full during the prior 12 month period by the sum of the gross charges for those claims. This resulting percentage is then applied to an individual's gross charges to reduce the bill.
- iii. A revised percentage will be calculated and applied by the 45th day after the first day of the start of the fiscal year used to determine the calculations.

Applicant: An Applicant is the person submitting an Application for Financial Assistance, including the patient and/or the patient's guarantor.

Application: A Financial Assistance Application.

Application Period: During the Application Period, the Hospital must accept and process an application for Financial Assistance ("Application"). The Application Period begins on the date the care is provided to the individual and ends on the 240th day after the Hospital provides the patient with the first billing statement for the care.

Billed Charge(s): The fee for a service is based on the Hospital's master charge schedule in effect at the time of the service.

Completion Deadline: The Completion Deadline is the date after which a Hospital may initiate or resume ECAs (as defined below) against an individual who has submitted an incomplete Application if that individual has not provided the Hospital with the missing information and/or documentation necessary to complete the Application. The Completion Deadline must be no earlier than the later of 30 days after the Hospital provides the individual with this written notice; or the last day of the Application Period.

Cost-of-Care Discount: 40%

Discounted Care: Care provided at less than Billed Charges other than Free Care. Discounts include the Cost-of-Care Discount and the Managed Care Discount.

Extraordinary Collection Activity: As defined by the Act, but includes any legal action with respect to a Patient's Account.

Family Income: Family Income is defined based on definitions used by the U.S. Bureau of the Census and includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance payments, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources. Non-cash benefits (such as SNAP and housing subsidies) are not considered income.

Family Size: The number of individuals listed under "Filing Status" on the Applicant's most recent tax return. If no tax return is available, Family Size shall be the number of individuals permanently residing in the Applicant's household. If another individual claims the Applicant as a dependent on the individual's tax return, then the Family Size shall include household members of the individual claiming dependency.

Federal Poverty Guideline: The Federal Poverty Guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services under authority of 42 USC 9902(2). Guidelines, attached as Appendix A-1, shall be adjusted annually within thirty (30) days following the issuance of new Federal Poverty Guidelines in the Federal Register and on the U.S. Department of Health and Human Services website.

Financial Assistance: Care provided to patients who meet MSMC's criteria for Financial Assistance under various programs (collectively, "Financial Assistance Program" or "Program") and are unable to pay for all or a portion of their health care services. Financial Assistance does not include bad debt or uncollectible charges that have been recorded as revenue but written off due to a patient's failure to pay, or the cost of providing that care to patients; the difference between the cost of care provided under Medicaid or other means-tested government programs or under Medicare and the revenue derived from those programs; or contractual adjustments with any third-party payors.

Free Care: A discount equal to one hundred percent (100%).

Financial Assistance Policy Committee: That committee comprised of representatives from MSMC Affiliates and which makes recommendations with respect to this Policy and ensures operational alignment in implementing this Policy. If a committee does not exist, the CFO or his/her delegates shall be responsible for this function.

Household Income: The sum of a family's annual earnings and cash benefits from all sources before taxes, less payments made for child support. More specifically, Household Income is equal to the adjusted gross income listed on the Applicant's most recent tax return, adjusted to subtract child support payments and to add amounts of tax-exempt interest; non-taxable pension and annuity payments, IRA distributions, and social security; and other income not included in adjusted gross income but available to Applicant. However, if the Applicant indicates that the adjusted gross income listed on the Applicant's most recent tax return is not accurate (e.g., the Applicant is no longer employed or is being paid a different amount), the Household Income shall be calculated on the basis of other available documentation (e.g., pay stubs, unemployment statements, etc.), once again adjusted to remove child support payments and to include tax-exempt interest; non-taxable pension and annuity payments, IRA distributions, and social security; and other income available to Applicant. Household Income includes the income of all members of the household.

Illinois Resident: An Illinois Resident includes patients who qualify for Illinois residency under the Illinois Hospital Uninsured Patient Discount Act ("HUPDA"). HUPDA requires that the Uninsured Patient be a resident of Illinois, but does *not* require that the patient be legally residing in the United States. Patients may be required to provide evidence of Illinois residency as provided for under HUPDA. Relocation to Illinois for the sole purpose of receiving health care benefits does not satisfy the residency requirement under this definition. These patients are encouraged to seek treatment at an appropriate facility within their geographic proximity.

Insured Patient: A patient covered under a policy of health insurance or a beneficiary under public or private health insurance, health benefit, or other health coverage program, including high deductible health insurance plans, workers' compensation, accident liability insurance, or other third-party liability.

Legal Illinois Resident: A Legal Illinois Resident includes patients legally residing within the United States *and* who have their principal residence within the state of Illinois. With respect to foreign nationals, "legally residing" shall include individuals who have current visas and who are permanent residents and temporary workers. "Legally residing" shall not include foreign nationals who have visitor or student visas. Relocation to Illinois for the sole purpose of receiving health care benefits does not satisfy the residency requirement under this definition. These patients are encouraged to seek treatment at an appropriate facility within their geographic proximity.

Medically Necessary: Any inpatient or outpatient health care service, including pharmaceuticals or supplies, covered under Title XVIII of the federal Social Security Act for beneficiaries with the same clinical presentation as the Patient. A "Medically Necessary" service does not include any of the following: (1) non-medical services such as social and vocational services; or (2) elective cosmetic surgery, but not plastic surgery designed to correct disfigurement caused by injury, illness or congenital defect or deformity.

Non-Resident: A Non-Resident is a patient who is neither a Legal Illinois Resident nor an Illinois Resident.

Uninsured Patient: A patient not covered under a policy of health insurance or who is not a beneficiary under public or private health insurance, health benefit, or other health coverage program, including high-deductible health insurance plans, workers' compensation, accident liability insurance, or other third-party liability.

Appendix B
Example of 'Availability of Free Care' Sign-English Version

FREE CARE POLICY

You may be eligible for financial assistance under the terms and conditions the hospital offers to qualified patients. For more information, contact customer service at 888-667-2770.

In order to be eligible for Free Care, you must:

Have no other source of payment such as insurance, governmental assistance or savings;
or

Have hospital bills beyond your financial resources; and

Provide proof of income and income resources; and

Complete an application and provide information required by the hospital.

Forms and information about applying for Free Care are available upon request.

Appendix C
Example of 'Availability of Free Care' Sign-Spanish Version

REGLAS PARA SERVICIOS DE CARIDAD

Usted puede qualificar para asistencia financiera debajo de los terminus y condiciones de el hospital. Para mas informacion, contacte a el servicio de asistencia a 888-667-2770.

Para obtener derecho a servicios caritativos, se necesita tener los siguientes requisitos:

No tener otro medio de pagar, por ejemplo, seguro medico, asistencia del gobierno federal, o sus propios ahorros o bienes

Tener cuentas de hospital que esten mas alla de sus recursos economicos.

Tambien hay que:

Presentar pruebas de sus ingresos y recursos economicos

Completar la solicitud de servicio y dar la informacion que le pide al hospital.

Formularios con informacion y datos tocante a la sollicitacion de servicios caritativos se proveeran. A aquellos individuos interesados.

**Appendix D
Federal Poverty Income Guidelines 2016**

**2016 Federal Poverty Income Guidelines for the
48 Contiguous States and the District of Columbia**

Persons in family/household	Poverty Income Guideline
1	\$11,770
2	16,020
3	20,160
4	24,300
5	28,440
6	32,580
7	36,730
8	40,890

For families/households with more than 8 persons, add \$4,160 for each additional person.

**2016 Federal Poverty Income Guidelines for
Alaska**

Persons in family/household	Poverty Income Guideline
1	\$14,840
2	20,020
3	25,220
4	30,380
5	35,560
6	40,740
7	45,920
8	51,120

For families/households with more than 8 persons, add \$5,200 for each additional person.

**2016 Federal Poverty Income Guidelines for
Hawaii**

Persons in family/household	Poverty Income Guideline
1	\$13,670
2	18,430
3	23,190
4	27,950
5	32,710
6	37,470
7	42,230
8	47,010

For families/households with more than 8 persons, add \$4,780 for each additional person.

Appendix E
(Attach IRS Form 4506-T blank form and example of completed form)

US HealthVest

Subject:	Originally Issued	Date of This Revision
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CHARITY CARE POLICY

POLICY STATEMENT:

In order to serve the health care needs of our community, . . . will provide Free Care (hereinafter referred to as "Free Care") to patients without financial means to pay for *Inpatient, Emergency Room hospital services and Medically Necessary Out Patient Services (according to Medicare Medical Necessity Guidelines)*.

Free Care will be provided to all patients without regard to race, sex, sexual orientation, ethnicity, religion, color, or national origin and who are classified as financially indigent or medically indigent according to the hospital's eligibility criteria.

All capitalized terms herein are defined on Appendix A hereto.

PURPOSE:

To properly identify those patients who are financially indigent, medically indigent or who meet presumptive eligibility criteria, who do not qualify for state and/or government assistance, and to provide assistance with their Medically Necessary care.

ELIGIBILITY FOR FREE CARE

I. FINANCIALLY INDIGENT:

- A. A financially indigent patient is a person who is uninsured, and is accepted for care with no obligation to pay for services rendered based on the hospital's eligibility criteria as set forth in this Policy.
- B. To be eligible for Free Care as a financially indigent patient, the patient's total Household Income shall be as specified in Appendix B or C hereto. The hospital may consider other financial assets and liabilities for the person when determining eligibility.
- C. The hospital will use the most current Federal Poverty Income Guidelines issued by the U.S. Department of Health and Human Services to determine an individual's eligibility for Free Care as a financially indigent patient. The Federal Poverty Income Guidelines are published in the Federal Register in January or February of each year and for the purposes of this Policy will become effective

Page 1 of 15

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ATTACHMENT-39B

the first day of the month following the month of publication, even if the guidelines attached to the Policy or posted on the Website are outdated.

- D. In no event will the hospital establish eligibility criteria for financially indigent patients which sets the income level for Free Care lower than that required for counties under the State Indigent Health Care and Treatment Act, or higher than 300% of the current Federal Poverty Income Guidelines. However, the hospital may adjust the eligibility criteria from time to time based on the financial resources of the hospital and as necessary to meet the Free Care needs of the community.
- E. Patients covered by out of state Medicaid where the hospital is not an authorized provider and where the out of state Medicaid enrollment or reimbursement makes it prohibitive for the hospital to become a provider, will be eligible for Free Care upon verification of Medicaid coverage for the service dates. No other documents will be required in order to approve the Free Care application. The patient will not be required to apply for Financial Assistance to obtain Free Care. The hospital may submit the application and verification of Medicaid coverage in another State as proof of qualification.

2. **MEDICALLY INDIGENT:**

- A. A medically indigent patient is a person whose medical bills after payment by third party payers exceed a specified percentage of the person's annual gross income as defined herein and who is unable to pay the remaining bill.
- B. Patients covered under state Medical Assistance programs that owe copayments or have a 'spend down' amount are excluded from being considered for Free Care assistance. Payment of copayments and spend down amounts are a condition of coverage and should not be written off or discounted.
- C. The maximum amount the Hospital may collect in a 12-month period from an eligible patient is 25% of the patient's Family Income. The twelve month period begins on the date of service for which the hospital first determines the patient is eligible for the discount. The hospital may exclude a patient from the 25% maximum collectible amount who has substantial assets (defined as a value in excess of 600% FPL in urban areas/300% FPL at CAH and rural areas). Certain assets cannot be considered: primary residence, personal property exempt from collections under Section 5-12-1001 of the Illinois Code of Civil Procedure, and any amounts held in a pension or retirement plan.
- D. A determination of the patient's ability to pay the remainder of the bill, or portion of the bill, will be based on whether the patient reasonably can be expected to pay the account, or portion thereof, over a 3-year period.
- E. The patient may be eligible for a charity discount for any amount beyond what the patient is expected to pay over a 3-year period.

- F. If a determination is made that a patient had the ability to pay the remainder of the bill, such a determination does not prevent a reassessment of the patient's ability to pay at a later date should there be a change in the patient's financial status.

3. **FREE CARE PRESUMPTIVE ELIGIBILITY:**

- A. A presumptively eligible patient is an uninsured person who qualifies for financial assistance based on the demonstration of participation in one of several categories, some that are mandated categories and other categories that a hospital may consider.
- B. The mandatory categories are intended to reflect the new free care mandate included in the 2012 amendment to the Hospital Uninsured Patient Discount Act (HUDPA) legislation at urban hospitals for uninsured patients up to 200% of the federal poverty level (FPL) and 125% of FPL at rural and critical access hospitals (CAHs).
- C. All hospitals mandated categories:
1. Homelessness
 2. Deceased with no estate
 3. Mental incapacitation-no one to act on behalf
 4. Medicaid eligibility -not on date of service or for non-covered service
 5. Community programs that treat patients based on their income being lower than the federal poverty guideline (example: Vista patients referred by Health Reach Clinic, a local Free Care clinic where the hospital is a sponsor of their indigent program will be eligible for Free Care under completion of proper application using the same Federal Poverty Income Guidelines)
 6. Enrollment in the following programs with criteria at or below 200% of the then current Federal Poverty Guidelines:
 - a. Women, Infants, Children -WIC
 - b. Supplemental Nutrition Assistance Program -SNAP
 - c. Free Lunch and Breakfast Program, or Subsidized School Lunch
 - d. Low Income Home Energy Assistance Program -LIHEAP
 - e. Grant assistance for medical services
 - f. Temporary Assistance for Needy Families -TANF

g. Housing Development Authority Support Program

7. Incarceration in a Penal Institution with no family income or assets

4. **REPORTING:**

- A. The Hospital shall report annually to the Office of the Attorney General's Office on the number of Applications completed and approved; the number of Applications completed and not approved; and the number of Applications started but not completed.

5. **THE PROCESS**

- A. The hospital maintains posted signs, in English, *Exhibit "B"* and Spanish, *Exhibit "C"*, and in any other language which is spoken by 5% or more of the Hospital's patients one in each admitting and/or registration offices and one in the emergency lobby that inform customers that Financial Assistance is available and the Financial Assistance criteria.
- B. All self-pay patients will be identified as quickly as possible and will be asked to complete the Financial Assistance application "FA" during the registration or financial counseling process (or if they provide information or the Hospital can obtain information that meets the Presumptive eligibility requirements a FA will not be required).
- C. Hospital will post information regarding the availability of Free Care for both uninsured and insured patients on the hospital's web site, along with the application for Financial Assistance. In addition, Hospital will provide a copy of the Financial Assistance application and information relating to Financial Assistance upon both registration and discharge.
- D. Hospital will provide information on all billing notices about the availability of Free Care and/or Financial Assistance.
- E. All self-pay accounts will be screened for potential Medicaid eligibility as well as coverage by other sources, including governmental programs. During this screening process an "FA" will be completed if it is determined that the patient does not appear to qualify for coverage under any program.
- F. The "FA" will be sent to the Business Office for final determination by the Financial Counselor or Business Office Director.
- G. If the Financial Counselor determines through the application and documented support that the patient qualifies for Free Care she/he will give the completed and approved "FA" to the BOD for approval authorization, prior to write off.
- H. For those patients that do not meet Presumptive Eligibility requirements, the following documents will be required, subject to availability, to process a

Financially Assistance application: current monthly expenses/bills, previous year's income tax return, current employers check stub, proof of any other income, bank statements for prior 3 months, and all other medical bills. Where the patient/guarantor indicates they do not file federal tax returns, the hospital will request that the patient/guarantor complete IRS form 4506-T (Request for Transcript of Tax Return). The patient/guarantor should complete lines 1-5 after the hospital has completed lines 6-9. Hospital will complete line 6 by entering '1040', will check boxes 6(a) and box 7. In box 9, hospital will enter prior year and prior 3 years. (Exhibit E-example and a blank form).

- I. To be eligible under the Presumptive Eligibility criteria, proof of one of the mandated categories or additional criteria must be included with the Financial Assistance application.
- J. The Financial Counselor will contact any vendor who may be working the account, to stop all collection efforts on the account.
- K. Once approved for Free Care the account will be moved to the appropriate financial class until the adjustment is processed and posted/credited to the account. After the adjustment is posted, if there is a remaining balance due from the patient, the financial class will be changed to self-pay.
- L. If the "FA" is incomplete it will be the responsibility of the Financial Counselor to contact the patient via mail or phone to obtain the required information.
- M. The Fair Patient Billing Act (FPBA) states that a patient has at least 60 days from date of service to submit a "FA" application. Applications that remain incomplete after 30 days of 'request of information', and determination has been made that patient does not qualify for Medicaid, may be denied or submitted to the CFO for consideration/approval.
- N. The application may be reopened and reconsidered Free Care once the required information is received, providing the account has not been written off to bad debt.
- O. The Business Office Director, Assistant BOD or Patient Access Manager is responsible for reviewing every application to make sure required documents are attached, prior to submitting to CFO or CEO for review and approval. All fields on the application must be completed properly. Drawing lines through fields such as income is not appropriate. If the income is zero, zeros must be entered.
- P. Medicaid patients who receive covered services that meet Medicare medical necessity criteria, but have exhausted state benefit limits (IE limited IP days or limited annual ER visits, for example), will not be required to provide any supporting documents, providing verification of Medicaid coverage for the service dates indicates patient is covered.

- Q. Once an account has been written off to bad debt, the patient will not be allowed to apply for Free Care.
- S. Free Care shall be available for those patients who are legal Illinois residents and unless otherwise provided. Non-Residents who are uninsured are not eligible for Free Care.

6. FACTOR TO BE CONSIDERED FOR FREE CARE DETERMINATION

- A. The following factors are to be considered in determining the eligibility of the patient for Free Care:
 - 1. Gross Income
 - 2. Family Size
 - 3. Employment status and future earning capacity
 - 4. Other financial resources
 - 5. Other financial obligations
 - 6. The amount and frequency of hospital and other medical bills
- B. The income guidelines necessary to determine the eligibility for Free Care are attached on *Exhibits "B" and "C"*. The current Federal Poverty Guidelines are attached as *Exhibit "D"* and they include the definition of the following:
 - 1. Family
 - 2. Income

7. FAILURE TO PROVIDE APPROPRIATE INFORMATION

- A. Failure to provide information necessary to complete an application request for Free Care within 30 days of the request may result in a negative determination. If the patient and/or family member submits an incomplete application for Free Care, the Hospital will within ten (10) business days (1) suspend any Extraordinary Collection Activity ("ECA") against the patient; (2) provide a written notification that describes what additional information or documentation is needed and includes a Plain Language Summary of the Program; and (3) provide at least one written notice informing the patient about the ECAs that might be taken (or resumed) if an application is not completed or payment made by a deadline specified in the written notice, which shall be no earlier than 30 days from the date of the written notice or the last day of the application period.
- B. The account may be reconsidered upon receipt of the required information, providing the account has not been written off to bad debt.

- C. If at any time during the review process it becomes apparent that an Applicant for Free Care has withheld relevant information, provided false information or provided inaccurate information, as evidenced by information obtained through credit agencies or other available sources, and the Applicant is unable to resolve discrepancies to the satisfaction of the Hospital, the Applicant may be disqualified for Financial Assistance, which shall result in the resumption of routine collection efforts until such discrepancies are resolved. The provision of a questionable social security number shall not result in automatic disqualification for Financial Assistance.
- D. Free care will only be applied to true self-pay balances, after all third party benefits/resources are reasonably exhausted, including but not limited to, benefits from insurance carriers, government programs or proceeds from litigation and/or settlements. Patients requesting Financial Assistance must, whenever possible, be screened for eligibility for Medicaid or Health Insurance Exchange coverage and, if found eligible, the patient must fully cooperate with enrollment requirements. Failure to cooperate or enroll in available Medicaid or Health Insurance Exchange coverage may result in denial of a request for Financial Assistance.

8. EXCEPTION TO DOCUMENTATION REQUIREMENTS

The CFO may waive the documentation requirements and approve a case for Free Care; at his/her sole discretion based on their belief the patient does/should qualify for Free Care. The amount or percentage of Free Care discount will be left to the CFO's discretion. Waiver of the documentation requirements should be noted in the comments section on the patient's account, as well as the percent or dollar amount approved for Free Care adjustment, printed out and attached to the Financial Assistance (FA) form.

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A determination of eligibility will be made by the Business Office within 30 working days after the receipt of all information necessary to make a determination.

10. DOCUMENTATION OF ELIGIBILITY DETERMINATION AND APPROVAL OF WRITE-OFF

Once the eligibility determination has been made, the results will be documented in the comments section on the patient's account and the completed and approved "FA" will be filed attached to the adjustment sheet and maintained for audit purposes. The CEO, CFO, BOD will signify their review and approval of the write-off by signing the bottom of the Free Care/Financial Assistance Program Application form. The signature requirements will be based on the QHIC financial policy for approving adjustments. The Patient will be notified immediately and any billing and collection activity will cease.

11. REPORTING OF FREE CARE

Information regarding the amount of Free Care provided by the hospital, based on the hospital's fiscal year, shall be aggregated and included in the annual report filed with the Bureau of State Health Data and Process Analysis at the State Department of Health. These reports also will include information concerning the provision of government sponsored indigent health care and other county benefits. (Only for those states that require).

12. POLICY REVIEW AND APPROVAL

The below individuals have read and approved this policy: These parties shall assure that controls are in place to assess patient program eligibility in accordance with applicable law, that will track billing and maintain information on patient applications and eligibility for FA, that the Hospital bills eligible patients the same as those with insurance, that monitor referral to collection agencies pursuant to any policy relative to same and that the availability of FA is communicated to the Hospital's patients as provided for herein.

Appendix A Definitions

Affiliates: Those entities controlled by, controlling, or under common control with Hospital. For purposes of this policy, the term "Affiliates" does not include Hospital affiliates that are legally or otherwise restricted from adopting this policy.

Amounts Generally Billed: Charges for medically necessary services shall be limited to no more than amounts generally billed to individuals who have insurance covering such care ("AGB").

- i. In calculating the AGB, the Hospital has selected the "look-back" method whereby the AGB is determined based on actual past claims paid to the Hospital by Medicare fee-for-service together with all private health insurers paying claims to the Hospital.
- ii. The AGB percentage will be calculated at least annually by dividing the sum of all claims that have been paid in full during the prior 12 month period by the sum of the gross charges for those claims. This resulting percentage is then applied to an individual's gross charges to reduce the bill.
- iii. A revised percentage will be calculated and applied by the 45th day after the first day of the start of the fiscal year used to determine the calculations.

Applicant: An Applicant is the person submitting an Application for Financial Assistance, including the patient and/or the patient's guarantor.

Application: A Financial Assistance Application.

Application Period: During the Application Period, the Hospital must accept and process an application for Financial Assistance ("Application"). The Application Period begins on the date the care is provided to the individual and ends on the 240th day after the Hospital provides the patient with the first billing statement for the care.

Billed Charge(s): The fee for a service is based on the Hospital's master charge schedule in effect at the time of the service.

Completion Deadline: The Completion Deadline is the date after which a Hospital may initiate or resume ECAs (as defined below) against an individual who has submitted an incomplete Application if that individual has not provided the Hospital with the missing information and/or documentation necessary to complete the Application. The Completion Deadline must be no earlier than the later of 30 days after the Hospital provides the individual with this written notice; or the last day of the Application Period.

Cost-of-Care Discount: 40%

Discounted Care: Care provided at less than Billed Charges other than Free Care. Discounts include the Cost-of-Care Discount and the Managed Care Discount.

Extraordinary Collection Activity: As defined by the Act, but includes any legal action with respect to a Patient's Account.

Family Income: Family Income is defined based on definitions used by the U.S. Bureau of the Census and includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance payments, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources. Non-cash benefits (such as SNAP and housing subsidies) are not considered income.

Family Size: The number of individuals listed under "Filing Status" on the Applicant's most recent tax return. If no tax return is available, Family Size shall be the number of individuals permanently residing in the Applicant's household. If another individual claims the Applicant as a dependent on the individual's tax return, then the Family Size shall include household members of the individual claiming dependency.

Federal Poverty Guideline: The Federal Poverty Guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services under authority of 42 USC 9902(2). Guidelines, attached as Appendix A-1, shall be adjusted annually within thirty (30) days following the issuance of new Federal Poverty Guidelines in the Federal Register and on the U.S. Department of Health and Human Services website.

Financial Assistance: Care provided to patients who meet MSMC's criteria for Financial Assistance under various programs (collectively, "Financial Assistance Program" or "Program") and are unable to pay for all or a portion of their health care services. Financial Assistance does not include bad debt or uncollectible charges that have been recorded as revenue but written off due to a patient's failure to pay, or the cost of providing that care to patients; the difference between the cost of care provided under Medicaid or other means-tested government programs or under Medicare and the revenue derived from those programs; or contractual adjustments with any third-party payors.

Free Care: A discount equal to one hundred percent (100%).

Financial Assistance Policy Committee: That committee comprised of representatives from MSMC Affiliates and which makes recommendations with respect to this Policy and ensures operational alignment in implementing this Policy. If a committee does not exist, the CFO or his/her delegates shall be responsible for this function.

Household Income: The sum of a family's annual earnings and cash benefits from all sources before taxes, less payments made for child support. More specifically, Household Income is equal to the adjusted gross income listed on the Applicant's most recent tax return, adjusted to subtract child support payments and to add amounts of tax-exempt interest; non-taxable pension and annuity payments; IRA distributions; and social security; and other income not included in adjusted gross income but available to Applicant. However, if the Applicant indicates that the adjusted gross income listed on the Applicant's most recent tax return is not accurate (e.g., the Applicant is no longer employed or is being paid a different amount), the Household Income shall be calculated on the basis of other available documentation (e.g., pay stubs, unemployment statements, etc.), once again adjusted to remove child support payments and to include tax-exempt interest; non-taxable pension and annuity payments; IRA distributions; and social security; and other income available to Applicant. Household Income includes the income of all members of the household.

Illinois Resident: An Illinois Resident includes patients who qualify for Illinois residency under the Illinois Hospital Uninsured Patient Discount Act ("HUPDA"). HUPDA requires that the Uninsured Patient be a resident of Illinois, but does *not* require that the patient be legally residing in the United States. Patients may be required to provide evidence of Illinois residency as provided for under HUPDA. Relocation to Illinois for the sole purpose of receiving health care benefits does not satisfy the residency requirement under this definition. These patients are encouraged to seek treatment at an appropriate facility within their geographic proximity.

Insured Patient: A patient covered under a policy of health insurance or a beneficiary under public or private health insurance, health benefit, or other health coverage program, including high deductible health insurance plans, workers' compensation, accident liability insurance, or other third-party liability.

Legal Illinois Resident: A Legal Illinois Resident includes patients legally residing within the United States *and* who have their principal residence within the state of Illinois. With respect to foreign nationals, "legally residing" shall include individuals who have current visas and who are permanent residents and temporary workers. "Legally residing" shall not include foreign nationals who have visitor or student visas. Relocation to Illinois for the sole purpose of receiving health care benefits does not satisfy the residency requirement under this definition. These patients are encouraged to seek treatment at an appropriate facility within their geographic proximity.

Medically Necessary: Any inpatient or outpatient health care service, including pharmaceuticals or supplies, covered under Title XVIII of the federal Social Security Act for beneficiaries with the same clinical presentation as the Patient. A "Medically Necessary" service does not include any of the following: (1) non-medical services such as social and vocational services; or (2) elective cosmetic surgery, but not plastic surgery designed to correct disfigurement caused by injury, illness or congenital defect or deformity.

Non-Resident: A Non-Resident is a patient who is neither a Legal Illinois Resident nor an Illinois Resident.

Uninsured Patient: A patient not covered under a policy of health insurance or who is not a beneficiary under public or private health insurance, health benefit, or other health coverage program, including high-deductible health insurance plans, workers' compensation, accident liability insurance, or other third-party liability.

Appendix B
Example of "Availability of Free Care" Sign-English Version

FREE CARE POLICY

You may be eligible for financial assistance under the terms and conditions the hospital offers to qualified patients. For more information, contact customer service at 888-667-2770.

In order to be eligible for Free Care, you must:

Have no other source of payment such as insurance, governmental assistance or savings;
or

Have hospital bills beyond your financial resources; and

Provide proof of income and income resources; and

Complete an application and provide information required by the hospital.

Forms and information about applying for Free Care are available upon request.

Appendix C
Example of "Availability of Free Care" Sign-Spanish Version

REGLAS PARA SERVICIOS DE CARIDAD

Usted puede qualificar para asistencia financiera debajo de los terminus y condiciones de el hospital. Para mas informacion, contacte a el servicio de asistencia a 888-667-2770.

Para obtener derecho a servicios caritativos, se necesita tener los siguientes requisitos:

No tener otro medio de pagar, por ejemplo, seguro medico, asistencia del gobierno federal, o sus propios ahorros o bienes

Tener cuentas de hospital que esten mas alla de sus recursos economicos.

Tambien hay que:

Presentar pruebas de sus ingresos y recursos economicos

Completar la solicitud de servicio y dar la informacion que le pide al hospital.

Formularios con informacion y datos tocante a la solicitud de servicios caritativos se proveeran. A aquellos individuos interesados.

Appendix D
Federal Poverty Income Guidelines 2016

**2016 Federal Poverty Income Guidelines for the
48 Contiguous States and the District of Columbia**

Persons in family/household	Poverty Income Guideline
1	\$11,770
2	16,020
3	20,160
4	24,300
5	28,440
6	32,580
7	36,730
8	40,890

For families/households with more than 8 persons, add \$4,160 for each additional person.

**2016 Federal Poverty Income Guidelines for
Alaska**

Persons in family/household	Poverty Income Guideline
1	\$14,840
2	20,020
3	25,220
4	30,380
5	35,560
6	40,740
7	45,920
8	51,120

For families/households with more than 8 persons, add \$5,200 for each additional person.

**2016 Federal Poverty Income Guidelines for
Hawaii**

Persons in family/household	Poverty Income Guideline
1	\$13,670
2	18,430
3	23,190
4	27,950
5	32,710
6	37,470
7	42,230
8	47,010

For families/households with more than 8 persons, add \$4,780 for each additional person.

Appendix E
(Attach IRS Form 4506-T blank form and example of completed form)